



NOTICE OF HGMD BOARD OF DIRECTORS SPECIAL MEETING
October 14, 2021 at 10:00 AM
and NOTICE OF CANCELLATION OF HGMD BOARD OF DIRECTORS REGULAR MEETING
October 21, 2021 at 1:00 PM

Pursuant to Section 24-6-402(2)(c), C.R.S., the Board of Directors of the Heather Gardens Metropolitan District, hereby gives notice that it will hold a special meeting via Zoom videoconference at **10:00 AM on October 14, 2021**. The business meeting will be held for the purpose of conducting such business as may come before the Board. This meeting is open to the public.

Join Zoom Meeting

<https://zoom.us/j/92346295583?pwd=S1QvTWpoSkcxWU13a1Y4NnNHcjU1dz09>

Meeting ID: 923 4629 5583

Password: 168656

or

Dial-In Number: +1 346 248 7799 US

AGENDA

1. Determine quorum present
2. Call meeting to order
3. Approval of/additions to/deletion from agenda
4. Approval of Minutes
 - a. Consider Approval of Minutes of August 19, 2021 Regular Meeting
5. Reports of Directors, committees, and professional consultants
 - a. President's Remark (Funk)
 - b. Chief Executive Officer (Rea) – October 19, 2021 Report
 - c. Clubhouse/Restaurant Committee – No Meeting
 - d. Foundation Committee (Laubach) – No Meeting
 - e. Golf Committee (George) – No Meeting
 - f. Property Policy Committee (Funk) – September 13, 2021
 - g. Joint Long Range Planning Committee (Funk) – No Meeting
 - h. Treasurer's Report (Archambault) – September 2021
 - i. Joint Budget and Finance Committee (Archambault) – September 20, 2021 Report
6. Unfinished Business
7. New Business
 - a. Public Hearing on Proposed 2022 Budget
 - b. Consider Approval of Proposed 2022 Budget, Certification of the Mill Levy, and Appropriation of Sums of Money
8. Open Forum – Public comment (time limit-3 minutes per person)
9. Adjournment

Note: HGMD regular Board meetings, when held, are on the third Thursday of each month at 1:00 PM. Residents wishing to speak on agenda items will be given the opportunity at the time the item is discussed (time limit-3 minutes per person).

The next meeting will be Thursday, November 18 at 1:00 PM.

**HEATHER GARDENS METROPOLITAN DISTRICT
REGULAR MEETING
Thursday, August 19, 2021**

The regular meeting of the Board of Directors of the Heather Gardens Metropolitan District (“HGMD”) was held via Zoom/Telephone in the office of the District, 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, August 19, 2021 at 1:00 P.M.

CALL TO ORDER: President Funk called the meeting to order at approximately 1:00 P.M. on Thursday, August 19, 2021. A quorum was present.

BOARD MEMBERS PRESENT: President David Funk, Vice President Michael George, Treasurer/Secretary William Archambault, and Directors Eloise Laubach and Maria Mines.

BOARD MEMBERS ABSENT: None.

STAFF PRESENT: Chief Executive Officer (CEO) Jon Rea, Chief Operations Officer (COO) Jason Altshuler, and Chief Financial Officer (CFO) Jerry Counts.

GUESTS PRESENT: Jennifer L. Ivey, Icenogle Seaver Pogue, P.C., three members of the Heather Gardens Association Board, Lynn Donaldson with Heather ‘n Yon, and approximately 21 members of the public were present.

APPROVAL OF MINUTES: Motion made by Vice President George and seconded by Director Laubach and passed unanimously to approve the minutes of the July 22, 2021 Special Meeting as written.

REPORTS OF DIRECTORS, COMMITTEES, AND PROFESSIONAL CONSULTANTS:

President Report: President Funk commented that the COVID-19 conditions are being monitored in the state of Colorado as it is ranked 7th in the nation. The Delta variant is a concern and HGMD Board meetings will continue via Zoom.

General Manager’s Report: The Board received a copy of the CEO’s Statement of Work. The CEO stated that an offer was extended for the Clubhouse Manager position and the new hire will begin on August 30, 2021. There were no questions or comments.

Clubhouse/Restaurant Committee: The Board received a copy of the Clubhouse/Restaurant Report. Director Mines reported that the committee was excited to hear the good news about the Clubhouse Manager position being filled. At the last committee meeting, there was a discussion to make changes on Clubhouse hours and swim times, but it was decided to wait on changes until the new manager started. The

Restaurant is doing well. The committee suggested working on marketing and advertising for the Restaurant in the next few months. There were no questions or comments.

Foundation Committee: The Board received a copy of the Foundation Report. Director Laubach reported that the Golf and Restaurant Managers will be working on providing a list of projects for support from the Foundation. There was a discussion at their last meeting about a staff member having a tree plan, but no one knew how to get access to it. COO Altshuler commented that he was able to find the tree plan and that he and the Roads & Grounds Manager will be updating it and will forward it to the committee. The tree plan provides a map of all the trees in the Heather Gardens community. The plan also provides which trees were replaced and those that still need to be replaced. The September meeting has been canceled due to the Chair being out of town to welcome and meet her first grandchild. There were no further questions or comments.

Golf Committee: The Board received a copy of the Golf Report. Vice President George reported the golf course is doing well and is expected to get busier in the next few months with the weather cooling down. Some of the committee members requested for the dress code to be updated. This topic will be discussed at the October meeting due to the September meeting being canceled. There were no questions or comments.

Property Policy Committee: No Meeting. President Funk said they are working on verifying the status of the leases for current occupancies for the spaces. There are a number of those spaces in the RV Lot that are occupied by vehicles that no longer meet RV standards. The owners of those vehicles will be receiving letters that their contract will not be renewed. The process of repaving, fixing, and restriping to the new design is all approved. At this time, the committee is waiting for final notice from the vendors when this can happen due to a letter received recently which notes a shortage of asphalt that has delayed the process. There will be a project to put together the assignment of the new spaces and those that currently have leased space to the correct space that matches the size of their vehicle in the design plan. There were no questions or comments.

Joint Long Range Planning Committee: The Board received a copy of the Joint Long Range Planning Report. President Funk reported that the committee has been established and consists of members of both the HGMD and the Association. At the meeting, the members identified many issues that are of concern to Heather Gardens. The goal is how to identify those issues that affect Heather Gardens and what can be done or should be done. Lastly, the most important thing that came out of the meeting, was to ask the community to come forward with the issues they feel are important and email them to him directly.

Treasurer's Report: The Board received a copy of the Treasurer's Report. Treasurer/Secretary Archambault asked if there were any questions on the report and explained the report will be published in Heather's Yon next month. There were no questions or comments.

Joint Budget and Finance Committee: The Board received a copy of the Joint Budget and Finance Report. Treasurer/Secretary Archambault reported the Association Audit was reviewed by the audit agency and received a clean opinion on their financial statement which is the best to receive. Auditors were highly complementary to CFO Counts and his staff and said that without them the Association may not have received a clean opinion. There were three recommendations passed through the committee 1) to change the amount to be sent for collection to the attorney to be reduced to \$1,000 to \$750, 2) to have Management discontinue accepting credit card payments for dues and assessments, and 3) reinvest on a CD that is maturing that will be discussed later. There were no questions or comments.

Monthly Operating Analysis (MOA): The Board received a copy of the August 2021 MOAs. Treasurer/Secretary Archambault pointed out that 94% of subsidy for the Restaurant has been used as of July. Given the trend by the end of the year, this may exceed the allowed subsidy. Golf has used 84% of the allowed subsidy and although there might be a slight improvement the Golf Course may also exceed the allowed subsidy by the end of the year. The HGMD Board should have more input on what to do if the subsidies are in excess. There were no further questions or comments.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

a.) Motion: Consider approval to Reinvest the Maturing CD in September 2021:

Motion made by Treasurer/Secretary Archambault and seconded by Director Mines and passed unanimously.

Text of Motion: Based on the recommendation of the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors reinvest the Enterprise Fund CD of \$250,000 which is maturing on September 9, 2021, into a CD maturing in one year at the best possible rate.

OPEN FORUM:

Treasurer/Secretary Archambault asked if the HGMD September meeting will be canceled as there will not be a quorum. President Funk announced that the special meeting for September 23 is canceled.

Vice President George asked where the overrun would come from if the Restaurant and Golf go over budget. Treasurer/Secretary Archambault commented that the overage could go against the District reserve or because the Clubhouse is well below their subsidy, these funds can be used to offset the Golf and Restaurant. It was noted that there is one lump sum collected by the Association for the HGMD and if the HGMD stays within the one lump sum, funds can be reallocated without a budget amendment. Treasurer/

Secretary Archambault recommended that this is not done in the future and requested that management budget much more carefully and ask managers to adhere to it.

A resident wanted to address his concern that the Board is requiring the residents to sign a liability waiver and release as a condition for using the Clubhouse facilities. His concern is that the General Manager does not have the authority to require the waiver since it was not adopted properly by the Board and would like it eliminated going forward. President Funk commented the Board delegates extensively to the management team via the Management Agreement. Management at the time had made many decisions related to COVID-19 and, in addition, the usage of this waiver is common and was done with input from legal counsel. After further discussion, the resident was advised to not directly contact the HGMD attorney, his concerns would be taken under consideration by the HGMD Board, and there was no timeframe set for a response as requested by the resident.

A resident asked if there has been any discussion about refunding fees due to the Clubhouse being closed. Treasurer/Secretary Archambault commented at this time there has not been any discussion.

A resident commented that she signed two waivers, one for the chapel and the other for the Clubhouse, and the reason is for contact tracing which she strongly agrees with.

ADJOURNMENT: Upon motion by Treasurer/Secretary Archambault, and seconded by Director Laubach, and passed four to one (Vice President George) the meeting adjourned at 1:53 P.M.

William Archambault, Treasurer/Secretary

CEO Department Report
Statement of Work (SOW)
October 19, 2021

End of Month Report - September 2021

*****NOTE: Based on Feedback, Long Range Projects, Implementations & Prospective Projects & Ideas Section has been removed to Consolidate - these projects did not move with frequency month to month*****

HGMD

Clubhouse

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Hire New Clubhouse Manager	Position Posted/Resume Review/Interview	75	X		10/15/2021
Hire New Asst Manager	Position Posted/Resume Review/Interview	75	X		10/15/2021

Golf

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Update Rules for COVID-19 Play	Staying up to date with rules	100	X		9/30/21
Present Capital requests to Committee	Yearly Planning	100	X		9/30/21
Run Men's Club Championship	Customer Service	100	X		9/30/21
Host Ladies League Scramble	Customer Service	100	X		9/30/21
Host 3 High School Events	Customer Service	100	X		9/30/21
Create a new golf course mission statement	Customer Service	100	X		9/30/21
Work on new brochure for HG	Customer Service	90	X		10/31/21
Create a new employee SOP for Golf	Yearly Planning	90	X		10/31/21

Restaurant

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
POS installation, Sept 13th	Improve sales, reduce cost	100	X		9/13/21
We hired a cook and a server from Windsor gardens restaurant		100	X		9/15/21
Front of the house supervision	Courtney is helping on this one	100	X		ASAP
Working with new vendors to get a secondary food supplier		75	X		10/15/21
Fall hours begin Oct, we will increase menu options		75	X		10/15/21
Working on menus for Thanksgiving and the holidays		75	X		10/5/21
Daily pre shift meeting with front and back of the house		75	X		10/31/21
Working with vendor to try to keep prices stable	Partner w/ Additional Vendor	50	X		ASAP

HGA

CEO/General

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
CEO/GM Budget Draft	Draft Budget to B&F/BOD/Binders	100	X		9/10/21
Operations Mgr. & Chief On-Boarding	Expectations, Goals & SOW	100	X		9/30/21
Budget Updates/Documents	Produce Pertinent Documentation for Budget Process	100	X		10/7/21
Hire Clubhouse Manager	Review/Interview	99	X		ASAP
Misc. Resident Follow Up / Issues	Misc. Confidential Follow Up	90	X		ASAP
Goals for All Depts	Review/Add Additional Goals/Sit w/ Mgmt.	90		X	ASAP
Hire Clubhouse Asst. Manager	Review/Interview	50	X		ASAP
CMCA Certification	Professional Certification (PPD)/After Budget	25	X		10/31/21
Board Room Update	Mic/Sound/Zoom Hybrid - SWOT Analysis	25	X		ASAP
Goals "Big Board"	Finalize Company/Dept Goals	25	X		10/31/21
Budget Presentation - Community	PPT For Budget Presentation to Community	20	X		10/22/21
L/J Misc. Contract Renewal	2 years remaining	10	X		12/31/21
Uniform/Identification Project/Program	Review Current/Establish New (PPD)	0	X		TBD

CFO/Accounting

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
AR/Billing/Prop Mgt in Jenark	General cleanup	75	X		11/30/21
RV lot and Garden plots	Automate billing in Jenark. Update spreadsheet and send out delinquency letters	50	X		12/31/21
Send out delinquency notices	586 letters need to be sent. 283 are top priority in Sept	20	X		10/31/21
Review each direct report processes	Sit down and review with each team member	20	X		12/31/21
Rebuild Control Environment		0	X		12/31/21
Update Capital Reserve report	Review formulas and review hard coding	0	X		12/31/21

COO/Operations

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
EAP + Laminated Quick Ref' card	All Staff / training (Paper & PC) for Safety plan / Evac /	100	X		9/21/21
SOP book update with Jon H	Update procedures for Facilities/Eng	100	X		10/5/21
Assist Jon Rea w/ Strategic Plan Outline	Template for Jon Rea's 2 year vision	75		X	10/1/21
City of Aurora - Water Wise 2022	Plan with City of Aurora for reduction in \$\$	15	X		2/22/22
Year at a Glance Calendar (HGA) + (R&G)	Gannt chart/calendar to show HGA items	10	X		12/15/21
2022 Project List	2022 Budget (Approved) Project Tracking	0			12/31/21

Communications

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Behind	Goal for Completion
Update/Maintain HG Social Media	Promote awareness of community through social media	95		X	8/31/2021
Heathergardens.com clean up	Make all documents keyword searchable and archive	80		X	9/15/2021
Soft asset inventory	Document all software we are paying for	80		X	9/30/2021
Document Retention	Research Retention/Programs/Options	0	X		12/31/2021
S:/ Drive Clean-Up	Retention & File Removal/Clean	0	X		11/1/3021
Hard asset inventory	Inventory of hardware	0			11/30/2021

Contracts

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
RV Parking Lot	Revising the Parking Lot layout to better suit the needs of the residents using the RV parking lot.	90	X		9/30/21
2021 Elevator Jacks	Replace Elevator Jacks to meet City and State Code Regulations.	65	X		12/31/21
2021 - Carpet	Replace Carpet Tile on 10 Floors in 7 Buildings	25	X		12/1/21
B215 / Golf Cart Drainage	Resolve HGA and HGMD Drainage Issues	25	X		ASAP
Parking Structure - Security Enhancement Project	To help relieve community safety concerns	20	X		ASAP
HGMD Fuel Storage Tank	Install new 500g split tank to supply fuel needs for the small engine fleet.	10	X		12/31/21
2021 B233 Re-Roof	Re-Roof B233 to preserve the structure and prevent leaks from occurring	10	X		ASAP
2021 Window Washing	Wash Common Areas building windows. Clean bedroom and living room windows of the (5) buildings painted.	5	X		ASAP

Custodial

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Carpet Cleaning in (Clubhouse)	Cleaned the whole 2nd floor carpet On Friday 9/3/2021.	100	X		9/10/2021
Training	Training new employee for carpet tech, to help Carlos with projects.	100	X		9/30/2021
Carpet Cleaning in all buildings	Started in building 220	50			ASAP
Trash Chutes	Disinfect/power wash trash chutes through out the property.	0			team is trying to finish carpet cleaning first
Side stairs in 4 story buildings	Wash side stairs in 4 story buildings	0			team is trying to finish carpet cleaning first.

Maintenance

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
employee reviews	reviews	95	X		10/31/2021
roof maintenance repair	in progress	95	X		10//08/21
hiring 1 maintenance employee	in progress	75	X		10/22/21
244 chair in progress	in progress	50	X		11/19/21
Dry Vent cleaning	in progress	25	X		1/1/21
Review Parking Lot Striping	Determine Areas of Need & Repaint	20	X		ASAP
swamp coolers shutdown	shutdown	0	X		10/15/21

Maintenance Facilities Engineer

Project Status & Objectives

Project Name	Objective	% Conf	On-Time	Late	Goal for Completion
Buildings 244 & 243 front entry sidewalk concrete repair	Inhouse concrete repairs	100	X		Complete
Building 235 - 201 flood	Mitigation & restoration	100	X		Complete
Restaurant HVAC Replacement	Schedule Replacement all done except UV light	90	X		10/29/21
223 parking slab CAP RES	Drainage and water from foundation	85	X		10/30/21
217 parking slab CAP RES	Drainage and water from foundation	85	X		10/30/21
Start Hot Shot Roof scans	CAP Res Identify moisture in foam roofs (Scans completed, waiting for reports)	75	X		10/29/21
Explore/Research Analog to Digital Elevator phone lines	Possible Upgrade	30	X		10/30/2021
Building 216 Roof Safety Rails	Researching Options (Safety)	30	X		12/30/21
Help with PM-A1 wording on HGA requirements	Wording in PM-A1 has grey area's not addressed regarding CP patio roofing and Multi-story plumbing material	20	X		12/30/2021
Research PS Security	PS Security	20	X		12/30/21
Maintenance Master Plan	Go Forward Plan	10	X		UNKNOWN
Building 233 roof replacement	CAP RES Project	10	X		12/30/21
14205-14207 sewer pipe replacement in the basements	Remedy for Continuous drain backups	10		X	Unknown
Building 210 fire pipe leak	Replace 4" pipe & fittings in the wall	10	X		9/30/21
BLD 204 - 104 drain line	Leaking pipe under concrete	10	X		9/30/21
Building 216 - 501, 401, 301,201 and 101 flood	Mitigation & restoration	10	X		11/30/21
Multiple building stairs and landing railing replacement	CAP RES Project (Fabrication of railing started. Material supply delays)	5	X		11/30/21
Multiple building stairs and landing concrete repair and coatings	CAP RES Project (Waiting on railings to be completed)	5	X		11/30/21
Inspect CP pillars to obtain a list and count of pillars that need to be either removed or straightened.	For budgetary purposes.	5	X		12/30/21
Inspect CP breaker panels in CP4, CP5 and CP6 for a list of FDC panels that need to be replaced	For budgetary purposes.	5	X		12/30/21

Roads & Grounds

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
502 Replacement	replace truck 502	90		X	12/31/21
512 Replacement	replace toro workman	90	X		12/31/21
aeration/fertilization	aer/fert property	80	X		1015/21
Spray ants and fugus in turf	Help with yellowing turf areas	70		X	7/30/21
Clear plant material from buildings		60	X		ASAP
Retaining Wall - CP1 - Review	Replace broken retaining wall (PPD/Cost)	20		X	8/31/21
250 cut through	remove grass between concrete replace with breeze	0	X		10/14/21
winterize irrigation	blow-out irrigation	0	X		11/31/21

Security

Project Status & Objectives

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Obtain CCTV quotes for PS1-4	Increased security	100	X		10/3/21
Set up range training for staff certification	Training/Development	100	X		10/1/21
Management Corner	Correspondence	100	X		10/4/21
Implement New Report software	Productivity	50	X		1/1/22
HGA Master Audit	Update Resident Info	35	X		12/31/21
Employee Key Audit	Building Safety	0	X		1/31/22

End of Quarter Report Quarter 3 – July through September 2021

HGMD

Clubhouse

Accomplishments/Department Update

The clubhouse has been moving forward in a positive manner despite the absence of a Manger and Assistant Manager. The staff has done a wonderful job with taking care of everything while both the roles are backfilled. Each staff member has stepped up to support the business and the residents as best they can during this time.

- Events Began Started back up in July that included the Art show and the Annual Resource Fair.
- Auditorium Floors were treated/refinished.
- The Outdoor Pool remained open past Labor Day and closed at the end of September.
- The indoor pool closed at the end of September for routine maintenance to prepare for classes in October.

Next Quarter/Next 3-Months/Goals

- Annual Fall Craft Fair will take place in October
- On-Boarding of New Clubhouse Manager
- We will backfill and Hire Assistant Clubhouse Manager
- Review Utilization/Optimization with Clubhouse Hours

Budget/Projections/Expenses

- Continue to monitor the budget closely and adjust as needed
- New Manager up to speed on all projects for 2021 and remaining budget for the final quarter.
- We are anticipating in 2022 that life gets back to some normalcy for the clubhouse, events, trips etc.

Golf

Accomplishments/Department Update

- The 3rd quarter started out hot and dry, which is always good for golf. the months of July, August & September tends to be the heart of our golf season here in Colorado. Weather is stable, golfers are consistent, and this proved true for us again in 2021. With a drop further in COVID restrictions we were able to begin pairing groups back up to increase the number of golfers on the course at one time.

Golf Continued

- At Heather Gardens Golf Course, the 3rd quarter is always our busiest, it falls in the prime golf season for Colorado. With that being said it was no exception this year in 2021, besting each month revenue wise over 2020. In 2020 we did a total revenue of \$178k in the 3rd quarter. In 2021 we did 188k and increase of 10k which comes out to about a 6% gain.
- Golf Carts were also up in the 3rd quarter in 2021 compared to 2020. In 2020 we did a total revenue of \$29k and in 2021 we did \$37k which was an increase of about 29% over 2020.
- Golf Lessons have increased 16% over the 3rd quarter of 2020 which before the 3rd quarter of 2021 was the busiest on my record, and they don't seem to be slowing at all.
- COVID has started to creep back into our daily operations again, masks for employees were re-instated in the 3rd quarter to help protect our employees and residents alike. This has given us a little decrease in foot traffic into the golf shop due to people not feeling as comfortable in an inside setting.
- Heather Gardens golf course hosted 2 high level junior golf events during the 3rd quarter. The events were extremely well received by our residents.
- In August we hosted our Ladies Club Championship, which was very well attended and went off without a single hitch. They ladies had a wonderful event; the golf course was beautiful, and they followed up their event with a great banquet hosted at the rendezvous restaurant.
- In September we hosted our annual Men's club championship, which was a change from the normal August timeframe. The weather was perfect, and the course followed suit.
- In July we installed drainage near #9 green, and another location adjacent the cart path near building #204. These projects were successful and improved ground conditions significantly for the longer term in those problem areas. Later in July we performed verticutting and fertilizer and fungicide treatments to greens. This produced excellent putting conditions on the greens in the 3rd quarter months.
- In July and August, we spent time making algaecide and mosquito treatments to lakes and making several herbicide applications throughout the golf course.
- In August and early September, we prepared course for Men's and Women's Championship Rounds. End of September we aerated greens and tees

Next Quarter/Next 3-Months/Goals

- As we move into the 4th quarter, we are keeping our fingers crossed the white stuff stays away for a good bit of the quarter.
- In the 4th quarter we will be making sure to not use unnecessary expenses. The tough part about the last 3 months of the year is the unpredictability of the weather, if we have good weather the course will stay busy, and we should be able to continue creating great revenue. If the weather does not cooperate and we have a lot of snow, we will have a lot of added expenses for snow removal.
- The golf shop will be reaching out to all those who have lockers to begin collecting looker

Golf Continued

- fees for the 2022 golf season.
- The Golf Course will be hosting some outside events over the next few months that will produce revenue for the golf course & the restaurants.
- Golf Course maintenance will aim will be to manage the well and irrigation system for adequate soil moisture. The irrigation system and well is vulnerable at this time and we will be focusing on making it to the end of the growing season.
- In November we will winterize the system, remove the lake fountain at the north pond.
- We will make a few more liquid nutrients, and snow mold fungicide treatments to greens before winter comes.
- We will be preparing snowplow equipment for winter as well.
- Mowing frequency will slow but leaf mulching and sweeping will be necessary for golfers to see golf balls.
- Tees will be fertilized, and we will evaluate budget as to affordability of fertilizing roughs and fairways in October.

Budget/Projections/Expenses

- In terms of revenue projections, we have been producing strong monthly revenue, but starting the fourth quarter we are just over \$100k behind our yearly projected revenue number of \$469k, we believe that if the weather stays good, we can make up a good chunk of the difference.
- Depending on if we have a heavy snow in the last quarter, we may need to bring in some extra part time hours for removal.
- We will be using capital expenses for a new roof for the pump house, and a new fountain for the South Lake. The roof for the pump house is in dire need of replacement, leaking is a common problem. The South Lake fountain decided this year that it didn't want to work this year, so replacement is the best option to maintain its beautiful presence in that pond.

Restaurant

Accomplishments/Department Update

- July brought us a huge surprise with our long time Chef Kevin of 6 years accepting a new position in Golden.
- I have been working with the kitchen staff and training them on making some sauces and soups, once we have them training, I am hoping to step back from the daily kitchen duties and just help when we have events.
- We have been busy with our food purveyors trying to keep our prices stable and not have to raise our restaurant prices. With the direction of the market, I am not sure how long we can hold out before we are forced to raise our prices. Our vendor Shamrock

Restaurant Continued

- Foodservice has been out of a lot of items, and we have had to substitute items quite often, they are having difficulty getting some food items from their distribution network.
- We have switched from Aloha POS system to SpotOn Pos system, the servers are working hard to transition to the new system and the new handheld units.
- July sales were close to pre-covid sales and then the variant came along, and our August / September sales dropped to two thirds of July sales.
- We have been working hard on a plan for holiday parties.

Next Quarter/Next 3-Months/Goals

- We will be introducing a new menu which will include 4 dinner entrees which will be available nightly along with the regular menu.
- We will be having music bi-weekly now rather than weekly, the music started off very strong but after a few weeks it wasn't getting the support it needed so we will try every second week on Saturday.
- The new Web page for the golf course and restaurant is now live and looks great, soon, we will launch the online ordering thru SpotOn POS. We hope this will replace a lot of phone orders and free up staff from having to answer the phone and take orders, which is tough when we are busy.
- We are working on holiday menus, trying to get pricing from our suppliers for three months out, but nobody will commit to pricing as we they don't know what to expect. We are trying to keep pricing affordable for our residents, but we need the community to support the restaurant too. Windsor Gardens leased out their restaurant and it closed after a few months due to lack of support from the community.
- I am working with the kitchen staff, hopefully one of them will step up to the plate so we can have a lead kitchen person to help with daily and weekly duties.

Budget/Projections/Expenses

- Overall, the restaurant continues the trend of running lean with staffing to minimize labor expenses and maintain an acceptable gross profit percentage.
- The new POS System will provide new efficiencies not offered on the current POS and will provide savings over time from an expense standpoint.
- We are bringing on a new food supplier to use as a backup, so when the current one is out of something we have options, there have been a lot of substitutions lately and it does affect consistency and pricing.
- Hopefully covid goes away and life can get back to normal and we can see some pre covid sales.

End of Quarter Report Quarter 3 – July through September 2021

HGA

Accounting

Accomplishments/Department Update

- The Controller and Staff have continued to clean up the department and add efficiencies within process to ensure all tasking, entries etc. are completed timely and accurately.
- Both HGA and HGMD 2020 audits were finalized in Q3. HGMD 2020 audit was filed with the State of Colorado on July 22, 2021, prior to the July 31 deadline.
- The last of the Q1-Q2 Move-in/Move-out backlog was completed in Q3 (July).
- Complete Balance Sheet reconciliation files were developed and maintained in Q3. This will be the standard every month going forward.
- Backlog of 105 billable work order were completed by September 1.
- PPP loan application was completed in Q3, and HG received a notice from KeyBank that the SBA has forgiven the loan to HGA in its entirety.
- Intercompany and Interfund transfers from June 2020 through August 2021 have been completed. Beginning September, monthly Intercompany and Interfund transfer are back on track.
- HGA and HGMD 2022 Operating, and Capital Reserve budgets were completed and reviewed with the B&G committee.

Next Quarter/Next 3-Months/Goals

- Build and document control environment.
- Complete delinquency notice process and establish monthly delinquency letter submittal.
- Create RV Lot & Garden Plot Tracking/Billing Automation within Jenark.
- Continue clean-up of property management data.
- Update capital reserve report.

Contracts/Facilities

Accomplishments/Department Update

The Department has continued to move forward with planning and executing capital reserve projects for 2021. During the 3rd Quarter all projects were reviewed, and some have been differed or cancelled - to provide relief to the budget for the 233 Roof replacement project. The department reviewed all Capital Reserve projects slated for 2022 to determine which projects must be completed and others that may be differed.

Contracts/Facilities Continued

- Waste Management Bids & Contract Execution – Complete
- FPE Panel Replacement – Complete
- HVAC Install Restaurant – Mostly Complete (Still waiting for UV Light Installation and training on new unit)
- 217 Front Entry Drainage Project – Complete
- Building Paint Project – Complete
- Elevator Jack Replacement – In Progress
- Elevator Preventative Maintenance Contract - Complete
- 233 Roof – Project starts mid-October
- HGMD Fuel Tank – In Progress, it was determined that a new concrete pad would need to be engineered and installed prior to tank installation which has delayed the project.
- RV Parking Lot – Layout/Restripe, Remove Roots & Repair Damage Asphalt & Seal Coat – In Progress
- 2021 Carpet Project – In Progress
- 2021 Parking Structure – Miscellaneous Project at PS1 and PS2. – Complete
- 2021 Parking Structure – PS3 Post Tension Repairs – In Progress

Next Quarter/Next 3-Months/Goals

- Continue to complete Capital Reserve Projects as planned on the Project Sheet.
- Complete Misc. Concrete Repair, Railing & Drainage Projects
- CP Fencing Project – Formal Plan Completion
- Determine Go Forward Plan with Henry/WDG Foam Roofs
- 217 & 223 Front Entry Drainage Project – In Progress – HEXA Inc. contracted to install two-part silicone seal. should be completed by the end of October.

Budget/Projections/Expenses

- Communication has heightened between the Contracts/Facilities and Accounting Departments. The Capital Reserve process and advising when invoices should hit, projects occurring etc. has steadily improved to provide accurate information between departments and to the committees.
- The budget has been a challenge this year due to unanticipated projects, however, the review of projects and deferment will put us back to a manageable space and within budget. We will continue to monitor.

Custodial

Accomplishments/Department Update

- Back to regular cleaning schedule, but we are still disinfecting and following CDC guidelines.
- We continue to search for talent to join our team of 10 hardworking individuals. Luckily, we've only been down one or two positions... We continue to strive for timely project completion and workorders.
- We are excited about our newly ordered carpet extractor – which will save time and be more effective for our cleaning projects. A team of 3 should be able to clean 1 building per day versus currently 1 building for 2 days.
- We've ordered additional fans to help with the drying to accommodate the faster extractor.

Next Quarter/Next 3-Months/Goals

- Finish cleaning carpets in all buildings before the snow arrives.
- We've now found a fix to the "ghost spots" after steam cleaning carpets. The specialized cleaning solution was interacting with snowmelt and salt. We are implementing a rinse cycle, which will mitigate future spots.
- November or December we plan to Wax all 18 center stairs in all 6 story buildings.

Budget/Projections/Expenses

- Due to inflation and aiming for a fully staffed department, we expect to increase our payroll expense – but remain under total annual budget.

Human Resources

Accomplishments/Department Update

- The Human Resources Department has been actively continuing to support departments as needed posting jobs and assisting with backfilling roles. In addition, assisting with the budget build for payroll, benefits, and miscellaneous research to accounting during the budgeting process.
- The department successfully planned an employee appreciation event at the end of July for all staff & a Root Beer Float Social in September.
- Reworked and Updated 2022 Performance Review Scoring Matrix

Openings

- Clubhouse Manager – This position has been interviewed and an offer has been extended & accepted

Human Resources Continued

- Clubhouse Asst. Manager – This position is still open and continuing to interview.
- R&G 1 FTE & 2 Seasonal, Custodial 1 FTE, Maintenance 1 FTE

Next Quarter/Next 3-Months/Goals

- Continue to work with Multiple Departments to Develop Safety Awareness & Training Program
 - Weekly & Monthly
- Performance Evaluation Review & Training to Managers
- Research and Review of two PEO Admin Vendors
- Event Planning – Halloween Costume Contest and Holiday Party Event
- Continue General Support to All Departments and the Business as needed

Maintenance

Accomplishments/Department Update

- 244 Chair Rail Project - started on 7/19/21, will be completed in mid-November.
- Repainting of all fire hydrants on property – Complete
- Painting & restripe of Seville's and cps – Complete
- Boiler maintenance completed on 6 buildings-complete
- Received new vehicle in July – Complete
- M.C express up and running - Complete
- Hired 2 personnel, in the month of June 1 for paint, 1 for maintenance, started 6/28/21.
- All reviews done on time and Complete

Next Quarter/Next 3-Months/Goals

- Continue to hire for the 1 position open in maintenance.
- Dryer vent cleaning in all buildings.
- Begin Chair rail project in building 244 on July 19, 2021.complete in mid-November.
- Leaf's clean up begins in late October, early November.
- Roof maintenance on all buildings.

Budget/Projections/Expenses

- OPEX budget Draft reviewed with Management team, CAPEX projects listed and shared which were added to the 2022 budget request.

Operations

Accomplishments/Department Update

- The new COO has hit the ground running, vetting out some opportunities for improvements, cost savings, and becoming familiar with the HGA property and staff.
- Newly updated Emergency Action Plan (EAP) with Quick reference card – under each staff phone, to help assist in life safety for our main building. Security Committee is vetting during the month of October, with anticipated launch in November.
- Assisted the CEO with vendor management and contract reviews – with feedback and reaching out to vendors to address timelines, 2022 budgeting, strategic planning, staff reviews and evaluations for the operations team.
- Researching the City of Aurora Water Wise Pilot Program for 2022 – requested in the budget and will propose to committees and HGA/HGMD board if it makes sense for the property and residents.
- Maintenance Connections Inventory – Conversion to new system completed as of 8/31/21, teams continue to learn and improve work-order/inventory program.

Next Quarter/Next 3-Months/Goals

- Participate in 2022 Budget Work Shops etc. Answer questions about operations and capital projects for final Presentation and Approval.
- CEO and COO will continue to develop Department Deliverables with All the Managers – Develop Additional Expectations, Objectives, and Goals within the departments. Ensure that we are getting the most out of the individuals, teams, and departments. Preparation for remainder of the year and 2022 Goals etc.
- Implement Changes to the Board Room to Enhance Sounds Quality for Hybrid Meetings, In-Person and Zoom Meetings.

Budget/Projections/Expenses

- We have seen some favorable results in cost savings in some departments and are anticipating close to under budget for 2021 CAPEX projects, which in turn will increase the reserves.

Roads & Grounds

Accomplishments/Department Update

- October will bring the final days of mowing, along with aeration, fertilization and winterizing the irrigation system. We will be getting into the heaviest part of leaf clean-up and removal and start on winter pruning of shrubs and trees.
- An outside contractor completed removal of 35 stumps around the property.
- TruGreen completed 2 separate mosquito treatments and sprayed many large areas for

Roads & Grounds Continued

- weeds.
- We will be tackling a large special project on the cut through between building 250 and CP1 and installing mulch beds under some specific trees around the property.

Pruning Crew:

- Flush cutting shrubs to allow for new growth and better future management.
- Pruning and removal of shrubs
- Tree removals
- Completing work orders

Mow/Special Projects Crew:

- Mowing, trimming, and edging property.
- Fertilization and aeration of entire property

Irrigation Crew:

- Replacing leaking or nonoperational valves
- Replacing sprinkler heads that were broken during mowing operations.
- Replacing nozzles for more efficient water usage

Next Quarter/Next 3-Months/Goals

One goal for R&G to accomplish during the winter months is to start forming tree “rings” in larger fields to increase efficiency during mowing and trimming operations. Eventually R&G would like most of the trees on property to have rings to lessen the amount of trimming and reduce damage to exposed tree roots by the mowers.

- Continue to fine tune irrigation system to use less water.
- Complete pruning cycle and continue completing work orders.
- Finish held over special projects.
- Hire at least 2 full time employees.

Budget/Projections/Expenses

- We are under budget YTD, due to 2 unfilled positions, which we hope to fill by the end of October. We are looking into cost savings irrigation options for 2022, as part of the Aurora Water-wise program.

Security

Accomplishments/Department Update

- Chief Mike Martinez assumed the position as Chief in mid-July.
- We have installed laptop mounts in both vehicles.
- The compliance officer has implemented more written Courtesy Notices than in previous months.
- Continued to write detailed weekly security reports in Pitera, keeping the residents informed.
- Brought on the 8th officer September 8th, thus making the security department fully staffed.
- We are auditing the Emergency Contact and Key Release forms to ensure we have correct information for residents and making sure we have residents' permission to keep a key on file.
- Completed employee reviews that were late.
- Worked with the COO in developing an EAP for the clubhouse.
- Implemented a more beneficial officer schedule and put in place more seasoned officers.

Next Quarter/Next 3-Months/Goals

- The next quarter will be spent on maintaining staffing.
- Obtaining training for officers in the following: firearms training, report writing, and conflict resolution.
- Establishing a new report writing system.
- Completing the Emergency Contact book audits.
- Begin auditing resident keys.
- Working on updating the SOP for the department.

Budget/Projections/Expenses

- The department is over budget due to HERO pay, overtime due to being understaffed, and prior management staffing processes.
- We have had to buy new uniforms and vests for new hires.
- With being fully staffed, there should be a significant decrease in overtime throughout the department.
- The largest expense for this next quarter is going to be training.

HGMD TREASURER'S REPORT for SEPTEMBER 2021

Note: The HGMD District Board will not meet in September.

Highlights of District Operations:

FOR THE MONTH ENDED AUGUST 2021

	Budget	Actual
Clubhouse Profit (loss)	(\$57,120)	(\$45,642)
Golf Profit (loss)	\$ 10,323	(\$1,253)
Restaurant Profit (loss)	(\$6,275)	(\$5,398)

YEAR TO DATE THROUGH AUGUST 2021

	Budget	Actual
Clubhouse Profit (loss)	(\$465,618)	(\$359,600)
Golf Profit (loss)	(\$97,145)	(\$146,215)
Restaurant Profit (loss)	(\$45,256)	(\$67,817)

Enterprise Fund

Enterprise Fund revenue through August was \$1,672,900 which is about \$234,700 less than expected. Income for the Clubhouse, Golf Course and Restaurant have been severely impacted by Covid. While some improvement is expected for the remaining months of the year annual income projections will not be met.

Enterprise Expenses through August were \$1,414,400 which is about \$514,500 less than anticipated. Clubhouse, Restaurant, and Capital Outlay expenses have been less than anticipated through August.

Restricted Funds

Conservation Trust Fund (Lottery). The District has received \$10,839 from the Colorado lottery and has spent \$2,386 on District projects so far this year. The bank account for the Conservation Trust Fund has a balance of \$163,255.

Foundation Fund. The Foundation has received \$1,441 in donations through August. The Foundation Fund has been used to pay \$594 for District projects. At August 31st, the bank account has a balance of \$38,175 and there is an investment of \$150,000 in CD's.

Debt Service Fund. The District has received \$487,581 in property tax revenue and \$22,615 in specific ownership tax through August. At August 31st, the Zion Bank held \$594,805 for payment of principal and interest on the bond issue. The next principal payment of \$270,000 and interest payment of \$159,100 on the bond issue will be due December 1st.

**HEATHER GARDENS BUDGET & FINANCE COMMITTEE
SEPTEMBER 20, 2021, MEETING REPORT
ZOOM MEETING**

TO: Members of the Heather Gardens Budget & Finance Committee, HGA Board of Directors, HGMD Board of Directors, and General Manager

FROM: Terry Hostetler, HGA Treasurer, and Bill Archambault, HGMD Treasurer

Committee: Terry Hostetler, Co-Chair, Bill Archambault, Co-Chair, Craig Baldwin, Harry Laubach, Ray Nash, and Steve Villano. Harry Laubach, excused absence.

Staff: Jon Rae, (CEO); Jason Altshuler (COO); Jerry Counts, (CFO); Ainissa Shiffer, Senior Accountant

Audience: Approximately 15 residents, including HGA Board Members and HGMD Board Members

Welcome and Chair Comments: The B&F Committee meeting was called to order at 10:04 AM. A quorum was established. Co-Chair Hostetler welcomed all members and residents present.

The August 16, 2021, B&F Committee meeting report was accepted as presented.

Monthly Operating Analysis Review: Jerry Counts, CFO reviewed the August financial statements for HGA and HGMD. All questions were answered. Committee member recommended that at least annually a report be presented regarding the stability of Key Bank. Public records are available for this purpose. Committee members suggested that a formal written opinion be obtained regarding permissible uses of the grant money available to HGA – i.e., can it be used for Capital Expenses purposes; can it be used to offset future budget costs; should a portion be transferred to HGMD. The CFO will discuss this with auditors/attorneys.

Subcommittee and Other Reports:

Audit Subcommittee: Report was submitted. Committee member Craig Baldwin will assume the chair of the Audit subcommittee. The CFO will review the authorization procedure for ACH transactions and make recommendations as to a procedure for authorizations.

Insurance Subcommittee: The committee chair will make recommendations as to how the subcommittee should operate in the future. Also, the CFO will contact the Colorado Insurance Pool regarding HGMD insurance for coverage beginning January 1, 2022.

Capital Projects Subcommittee – no meeting

Investment Update. No update currently.

Unfinished Business:

- 1) Motion by Villano, seconded by Baldwin and unanimously approved that the Budget and Finance Committee ratify the affirmative email vote taken on September 13, 2021, and recommend that the Heather Gardens Association Board of Directors approve the October 1, 2021, to September 30, 2022, Commercial Insurance Program for the Heather Gardens Association in the total premium amount of \$1,715,501.00.

This includes General Liability, Property, Security Guard, Automobile, Equipment, Officers and Directors Liability, Excess Liability, Employers and Fiduciary Liability, Cyber Liability and Workers Compensation Policies through McGriff Insurance Brokers.

- 2) Motion by Baldwin, seconded by Villano and unanimously approved that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve the contract with Custom Contract Elevator Solutions for preventative maintenance for 40 elevators in 35 condominium buildings for a 4-year period at an annual cost of \$87,480. This will be budgeted as an operating expense in each year. The committee feels that more written justification is needed to explain why accepting more costly contract is recommended. The chair of the Maintenance Committee explained that public safety is a great concern and responding in a timely fashion to emergency situations were part of the reason that the Maintenance Committee is recommending the award be to the vendor selected even though the vendor bid a higher cost.

New Business:

- 1) Motion by Baldwin, seconded by Villano and unanimously approved that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve to replace Toro Workman #512 with a new 2021 Toro Workman from L. L. Johnson Distributing with an expected cost of \$37,591.90. This is \$3,015.90 over budget.
- 2) Motion by Baldwin, seconded by Nash and conditionally approved that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve to replace Chevy Silverado 1500 truck #502 with a new 2021 Dodge Ram 1500 truck from Brandon Dodge on Broadway with an expected cost of \$43,439.00, tax and dealer handling included. This is \$4,439.00 over budget.

The conditional approval centers around the dealer handling cost. After the meeting, the COO provided the explanation that the dealer handling cost is reasonable and that

approximately \$2,500 will be used to fit the truck with a plow. The fitting for a plow was not included with the information attached to the motion.

- 3) Motion by Nash, seconded by Baldwin and unanimously approved that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors waive the three-bid requirement and approve the project to repair asphalt and concrete of Storm Drain located in the parking lot behind Building 215 and adjacent golf course path with preferred vendor Sunny Day Concrete. The contract amount for this project is \$22,324.00 plus a 20% change order of \$4,465.00 for a total cost not to exceed \$26,789.00 without prior Board approval. This is an unanticipated capital expenditure project.

A committee member pointed out that approximately \$9,187 planned to be charged to HGMD should be approved by the HGMD Board. As the HGMD Board is not meeting in October, the project will proceed and HGA will request participation by HGMD in the project cost later.

- 4) Motion by Baldwin, seconded by Nash and unanimously approved that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve a contract with BC&E, LLC to provide a limited Engineering Evaluation of Parking Structures 1 – 4 for a cost of \$11,500.00 and contract with Restruction Corporation to perform exploratory concrete cuts for a cost of \$7,400.00 plus a 25% change order reserve of \$4,725.00 for a total cost not to exceed \$23,625.00 without prior Board approval. This is an unanticipated Capital Expenditure project.
- 5) Motion by Nash, seconded by Villano and approved unanimously that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve to replace the Carpet Extractor with a new 2021 High-Pressure Washer from Western Paper Supply for a cost of \$3,565.80, tax included, plus \$200.00 shipping cost for a total not to exceed \$3,765.80 without prior Board approval. This is \$5,256.20 under budget.

Members of the audience wishing to speak on non-agenda items: None

The meeting was adjourned at 11:59 AM.

The next regular meeting of the Budget and Finance Committee is October 19, 2021, at 10 AM.

Reminder: The Budget and Finance Committee will conduct 2022 budget workshops starting Monday, September 27 at 9:00 AM through Thursday, September 30th if needed. The committee will meet in the Board Room. The workshops will also be on Zoom.

**Heather Gardens Metropolitan District
Board Action
Date: October 14, 2021**

MOTION: TO ACCEPT THE 2022 BUDGET

Based upon the recommendation of the Heather Gardens Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors accept the 2022 budget which includes anticipated revenue of \$2,370,172 and anticipated expenditures of \$2,730,172 for the Enterprise Fund and anticipated revenue of \$553,397 and anticipated expenditures of \$594,385 for restricted funds. Restricted funds assume the use of \$60,000 excess Debt Service funds held by the trustee bank.

Motion by: _____ Seconded by: _____

Outcome of vote:

For: _____ Against: _____ Absent/Abstaining: _____

___ The motion has a majority and is adopted.

___ The motion does not have a majority and is not adopted.

David Funk, President
HGMD Board of Directors

Supporting Document for HGMD 2022 Budget Motion					
ENTERPRISE FUND					
Enterprise Fund Revenue		\$ 2,730,172	Page 34, Total Revenue		
Enterprise Fund Expenses	\$ 2,524,448		Page 34, Total Expenses		
COGS	\$ 205,724		Page 34, COGS Line		
Total Expenses		\$ 2,730,172			
Difference		\$ -			
RESTRICTED FUNDS					
Revenue					
Lottery	\$ 19,012		Page 35		
Debt Service	\$ 534,385		Page 35		
Total Revenue		\$ 553,397			
Expenses					
Debt Service		\$ 594,385	Page 35		
Difference		\$ (40,988)			
Note: Each fund within the restricted funds are for a specific purpose and the funds from one fund cannot be used for another fund. Lottery income cannot be used for Debt Service.					
The budget anticipates using \$60,000 of excess debt service cash held by the Trustee Bank.					

Heather Gardens Metropolitan District
Board Action
Date: October 14, 2021

MOTION: TO OPEN THE PUBLIC HEARING REGARDING THE HGMD 2022 PROPOSED BUDGET

I move that the Heather Gardens Metropolitan District Board of Directors open the public hearing regarding the 2022 proposed HGMD Budget.

Motion by: _____ Seconded by: _____

Outcome of vote:

For: _____ Against: _____ Absent/Abstaining: _____

___ The motion has a majority and is adopted.

___ The motion does not have a majority and is not adopted.

David Funk, President
HGMD Board of Directors

Explanation: As the Heather Gardens Metropolitan District is a quasi-governmental agency, the public must be provided the opportunity to provide input and comment on any proposed budget.

**Heather Gardens Metropolitan District
Board Action
Date: October 14, 2021**

MOTION: TO CLOSE THE PUBLIC HEARING REGARDING THE HGMD 2022 PROPOSED BUDGET

I move that the Heather Gardens Metropolitan District Board of Directors close the public hearing regarding the 2022 proposed HGMD Budget.

Motion by: _____ Seconded by: _____

Outcome of vote:

For: _____ Against: _____ Absent/Abstaining: _____

___ The motion has a majority and is adopted.

___ The motion does not have a majority and is not adopted.

David Funk, President
HGMD Board of Directors

Explanation: As the Heather Gardens Metropolitan District is a quasi-governmental agency, the public must be provided the opportunity to provide input and comment on any proposed budget.

**Heather Gardens Metropolitan District
Board Action
Date: October 14, 2021**

MOTION: TO APPROVE HGMD 2022 BUDGET RESOLUTION

I move that the Heather Gardens Metropolitan District Board of Directors approve the Resolution Adopting the 2022 Heather Gardens Metropolitan District Budget; Certification of the Mill Levy and Appropriating the funds (Sums of Money).

Motion by: _____ Seconded by: _____

Outcome of vote:

For: _____ Against: _____ Absent/Abstaining: _____

___ The motion has a majority and is adopted.

___ The motion does not have a majority and is not adopted.

David Funk, President
HGMD Board of Directors

Explanation: This motion is the formal approval and adoption by the Board of Directors of the 2022 Heather Gardens Metropolitan District Budget.

STATE OF COLORADO
COUNTY OF ARAPAHOE
HEATHER GARDENS METROPOLITAN DISTRICT
2022 BUDGET RESOLUTION

The Board of Directors of the Heather Gardens Metropolitan District, Arapahoe County, Colorado held a special meeting on Thursday, October 14, 2021 at the hour of 10:00 A.M. via online _____ meeting _____ at <https://zoom.us/j/92346295583?pwd=S1QvTWpoSkcxWU13a1Y4NnNHcjU1dz09> and via telephone at 1-346-248-7799, Meeting ID: 923 4629 5583, and Passcode: 168656.

The following members of the Board of Directors were present:

President: _____
Secretary: _____
Treasurer: _____
Assistant Secretary: _____
Assistant Secretary: _____

Also present were: _____

Ms. Ivey reported that proper notice was made to allow the Board of Directors of the Heather Gardens Metropolitan District to conduct a public hearing on the 2022 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a special meeting of the Board of Directors of the District and that a notice of special meeting was posted at the Heather Gardens Clubhouse, 2888 S. Heather Gardens Way, Aurora, no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

Thereupon, Director _____ introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE HEATHER GARDENS METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board of Directors (the “Board”) of the Heather Gardens Metropolitan District (the “District”) has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2021; and

WHEREAS, the proposed budget is more than fifty thousand dollars (\$50,000.00), due and proper notice was published on Thursday, September 30, 2021 in the *Sentinel*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District’s increased property tax revenues resulting from a request to the Division of Local Government pursuant to §29-1-302(1), C.R.S.; and an original publisher’s Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Thursday, October 14, 2021 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of § 29-1-301, C.R.S., and Article X, § 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law; and

WHEREAS, pursuant to § 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to § 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEATHER GARDENS METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO:

Section 1. Summary of 2022 Revenues and 2022 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2022. In the event of recertification of values by the Arapahoe County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by William F. Archambault, Secretary/Treasurer of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2022 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$_____ and that the 2021 valuation for assessment, as certified by the Arapahoe County Assessor, is \$_____. That for the purposes of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

Section 6. 2022 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$_____ and that the 2021

valuation for assessment, as certified by the Arapahoe County Assessor, is \$ _____. That for the purposes of meeting all debt retirement expenses of the District during the 2022 budget year, there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

Section 7. Certification to County Commissioners. That the Secretary of the District is hereby authorized and directed to immediately certify to the Board of County Commissioners of Arapahoe County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director _____.

RESOLUTION APPROVED AND ADOPTED THIS 14TH DAY OF OCTOBER 2021.

HEATHER GARDENS METROPOLITAN DISTRICT

By: _____
David L. Funk
Its: President

ATTEST:

By: William F. Archambault
Its: Secretary/Treasurer

STATE OF COLORADO
COUNTY OF ARAPAHOE
HEATHER GARDENS METROPOLITAN DISTRICT

I, William F. Archambault, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of the Heather Gardens Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a special meeting of the Board of Directors of the Heather Gardens Metropolitan District held on Thursday, October 14, 2021, via online meeting at <https://zoom.us/j/92346295583?pwd=S1QvTWpoSkcxWU13a1Y4NnNHcjU1dz09> and via telephone at 1-346-248-7799, Meeting ID: 923 4629 5583, and Passcode: 168656, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 14th day of October 2021.

William F. Archambault, Secretary/Treasurer

[SEAL]

EXHIBIT A

Affidavit of Publication
Notice as to Proposed 2022 Budget

EXHIBIT B

Budget Document
Budget Message



Heather Gardens
Metropolitan District
2022
Operating
&
Capital Reserve Budget

HGMD 2022 OPERATING BUDGET								
HGMD		2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
ENTERPRISE FUND								
Revenue								
D504	Bank Interest Reserve Account	1,620	10,800	-85.00%	1,600	-85.19%	1.25%	10,423
D505	Recreation Fee	1,496,739	1,516,758	-1.32%	1,516,758	0.00%	-1.32%	1,382,809
D506	Food Sales	511,205	557,534	-8.31%	343,121	-38.46%	48.99%	227,426
D506.1	Beer Sales	25,580	32,658	-21.67%	21,803	-33.24%	17.32%	11,720
D506.2	Wine Sales	33,752	35,642	-5.30%	24,175	-32.17%	39.62%	16,437
D506.3	Liquor Sales	32,478	32,658	-0.55%	24,082	-26.26%	34.86%	15,807
D507	Golf Fees Daily	284,281	332,695	-14.55%	276,001	-17.04%	3.00%	260,230
D507.1	Golf Simulator	1,578	3,720	-57.59%	1,532	-58.83%	3.00%	1,158
D509.2	Golf Discount - 40 Play	25,211	17,064	47.74%	24,477	43.44%	3.00%	12,450
D511	Golf Cart Rentals	70,315	69,105	1.75%	68,267	-1.21%	3.00%	50,351
D511.1	Merchandise	24,266	30,955	-21.61%	23,559	-23.89%	3.00%	23,926
D511.2	Lessons	8,900	4,090	117.60%	8,641	111.27%	3.00%	6,016
D511.3	Bag Storage	6,705	6,525	2.76%	6,510	-0.23%	3.00%	5,970
D511.4	Golf Pull Cart	4,752	5,064	-6.16%	4,614	-8.89%	3.00%	4,774
D512	CH Building Rentals	15,600	17,100	-8.77%	15,617	-8.67%	-0.11%	7,242
D513	Events	31,670	27,245	16.24%	19,220	-29.45%	64.78%	9,740
D513.1	Trips Revenue	33,000	15,996	106.30%	23,164	44.81%	42.46%	304
D514	RV Lot Income	29,520	41,808	-29.39%	18,800	-55.03%	57.02%	35,231
D514.1	Garden Plot	2,520	2,520	0.00%	1,500	-40.48%	68.00%	3,340
D515	Classes	86,880	43,438	100.01%	71,629	64.90%	21.29%	11,794
D515.2	Contribution Revenue	-	-		-			-
D516	Miscellaneous Revenue	-	-		-			26,823
D516.1	Coffee Revenue	3,600	5,265	-31.62%	2,588	-50.85%	39.10%	1,170
D516.2	Insurance Proceeds	-	-		-			-
	Total Revenue	2,730,172	2,808,640	-2.79%	2,497,657	-11.07%	9.31%	2,125,141
D590	COGS	205,724	227,879	-9.72%	144,384	-36.64%	42.48%	108,971
	Gross Profit	2,524,448	2,580,761	-2.18%	2,353,274	-8.81%	7.27%	2,016,170
Expenses								
D550	Club House Expenses	808,976	802,334	0.83%	654,199	-18.46%	23.66%	601,207
D555	Golf Course Expenses	675,123	624,560	8.10%	640,825	2.60%	5.35%	667,297
D557	Restaurant Expenses	498,106	513,123	-2.93%	376,218	-26.68%	32.40%	358,663
D560	RV Lot Expenses	3,050	3,050	0.00%	2,743	-10.07%	11.20%	4,263
D565	Garden Plot Expenses	2,084	2,084	-0.02%	2,000	-4.03%	4.18%	3,502
D522	Services - Insurance	56,690	56,635	0.10%	49,294	-12.96%	15.00%	49,386
D523	Services - Audit	34,025	44,750	-23.97%	44,750	0.00%	-23.97%	41,750
D523.5	Bad Debt Expense	-	2,250	-100.00%	-	-100.00%		-
D524	Services - Professional Fees	45,000	36,000	25.00%	43,773	21.59%	2.80%	39,930
D524.1	HVAC Clubhouse/Rest	-	-		-			6,910
D525.1	Election Expenses	-	-		-			2,199
D526	Miscellaneous Expense	1,200	-		1,200		0.00%	62,797
D526.1	SDA Membership Dues	1,500	2,400	-37.50%	1,204	-49.83%	24.58%	1,650
D521	Cost of Issue Amort	-	-		-			(33,526)
D519	Zion Bank Fee	1,400	1,400	0.00%	1,400	0.00%	0.00%	1,400
D542.2	Non Capital Expense	-	-		-			-
D601	Capital Outlay	397,293	545,101	-27.12%	545,101	0.00%	-27.12%	240
D601	Capital Outlay - Insurance	-	-		-			-
D603	Interest Expense	-	-		-			-
D603.1	Marketing	-	-		-			2,994
D604	Insurance Claims	-	996	-100.00%	-	-100.00%		-
	Total Expenditures	2,524,448	2,634,683	-4.18%	2,362,707	-10.32%	6.85%	1,810,662
	NET OPERATING SURPLUS/(LOSS)	-	(53,922)	-100.00%	(9,433)	-82.51%	100.00%	205,508
NON OPERATING EXPENSE								
D529	Depreciation Expense	-	-		-			586,883
D605	Gain/Loss Asset Disposal	-	-		-			4,272
	Total Non-Operating Expense	-	-		-			591,155
	NET ENTERPRISE FUND REV/EXP	-	(53,922)	-100.00%	(9,433)	-82.51%	100.00%	(385,647)
RESTRICTED FUNDS								
Conservation Trust Income (Lottery)								
D503	Conservation Trust Income (Lottery)	19,000	18,400	3.26%	19,830	7.77%	-4.19%	17,406

HGMD 2022 OPERATING BUDGET								
	<u>HGMD</u>	2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
D504.3	Interest Income Lottery	12	-		12		0.00%	50
	Total Lottery Revenue	19,012	18,400	3.33%	19,842	7.84%	-4.18%	17,456
D530	Conservation Trust Expense	-	-					9,625
	Net CTF	19,012	18,400	3.33%	19,842	7.84%	-4.18%	7,831
	<u>Foundation Fund</u>							
D515.1	Donation Revenue	-	-		-			7,806
D620	Foundation Expense	-	-		-			11,229
	Net Foundation	-	-		-			(3,423)
	<u>Debt Service Fund Bond Issue</u>							
D517	Property Taxes	500,785	493,745	1.43%	493,745	0.00%	1.43%	548,743
D518	Spec Ownship Tax Rev	33,500	39,996	-16.24%	33,500	-16.24%	0.00%	39,858
D504.2	Zion Bank Interest	100	966	-89.65%	100	-89.65%	0.00%	968
	Total Revenue	534,385	534,707	-0.06%	527,345	-1.38%	1.33%	589,569
D520	Debt Serv Interest 2017 Issue	306,470	317,300	-3.41%	317,300	0.00%	-3.41%	322,580
D521.1	Original Issue Amort		-		-			
D525	County Collection Fee	7,915	7,407	6.85%	7,457	0.68%	6.14%	8,245
D700	Bond Principal Payment	280,000	270,000	3.70%	270,000	0.00%	3.70%	-
	Total Expenditures	594,385	594,707	-0.05%	594,757	0.01%	-0.06%	330,825
	Net Debt Service **	(60,000)	(60,000)	0.00%	(67,412)	12.35%	11.00%	258,744
	ALL RESTRICTED FUNDS SURPLUS/(LOSS)	(40,988)	(41,600)	-1.47%	(47,570)	14.35%	13.84%	272,777
	** (\$60,000) are excess funds located in Zion debt service bank account							

HGMD 2022 OPERATING BUDGET

	2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	2020 Actual (Audited)
Club House					
Revenue	170,750	109,044	56.59%	132,218	30,250
Expenses	808,976	802,333	0.83%	654,199	601,207
Total Subsidy Club House	(638,226)	(693,289)	-7.94%	(521,981)	(570,957)
Golf					
Revenue	426,008	469,218	-9.21%	413,600	364,875
COGS	12,618	16,106	-21.65%	12,251	16,138
Expenses	675,123	624,561	8.10%	640,825	667,297
Total Subsidy Golf	(261,734)	(171,449)	52.66%	(239,475)	(318,560)
Restaurant					
Revenue	603,015	658,492	-8.31%	413,181	271,390
COGS	193,106	211,773	-9.72%	132,133	92,833
Expenses	498,106	513,123	-2.93%	376,218	358,663
Total Subsidy Restaurant	(88,197)	(66,404)	32.82%	(95,170)	(180,106)
Total Subsidy 3 Cost Centers	(988,157)	(931,142)	6.12%	(856,626)	(1,069,623)

Heather Gardens Metropolitan District 2022 Class Budget									
					2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	2020 Actual (Audited)
Classes	Cost Per Class	# Offered Per Week	# of Classes	Avg # of Students					
Aqua Gentle Motion	\$ 35	3.00	4	20	2,800				
Aqua Fitness I	\$ 30	2.00	5	20	3,000				
Aqua Fitness II	\$ 30	2.00	5	20	3,000				
Aqua Cardio	\$ 35	3.00	5	20	3,500				
Aqua Function Motion	\$ 35	3.00	5	20	3,500				
Water Early Birds	\$ 30	2.00	5	20	3,000				
Water Warriors	\$ 30	2.00	5	20	3,000				
Water Squawkers	\$ 30	2.00	5	20	3,000				
Aqua Zumba	\$ 25	1.00	4	20	2,000				
Aqua Zumba	\$ 25	1.00	4	20	2,000				
Ballroom Dance	\$ 25	1.00	2	10	500				
Bones & Balance	\$ 30	2.00	2	15	900				
Bridge	\$ 30	2.00	4	16	1,920				
Clay	\$ 35	3.00	3	10	1,050				
Cooking	\$ 30	2.00	3	12	1,080				
Creative Glass	\$ 35	3.00	4	18	2,520				
Guided Autobiography	\$ 30	2.00	4	10	1,200				
HG Fit Krew	\$ 35	3.00	4	35	4,900				
Jazzercise	\$ 30	2.00	4	35	4,200				
Knit & Crochet #1	\$ 30	2.00	4	15	1,800				
Painting	\$ 35	3.00	4	25	3,500				
Pilates	\$ 25	1.00	4	15	1,500				
Pilates	\$ 25	1.00	4	10	1,000				
Quilting #1	\$ 35	3.00	4	10	1,400				
Quilting #1	\$ 35	3.00	4	10	1,400				
Spanish Beginning	\$ 25	1.00	4	10	1,000				
Spanish Continuing	\$ 25	1.00	4	10	1,000				
Spanish Intermediate	\$ 25	1.00	4	10	1,000				
Restore Rehab	\$ 30	2.00	4	10	1,200				
Weight Strengthening	\$ 35	3.00	4	50	7,000				
Wood Carving	\$ 30	2.00	4	12	1,440				
Wood Intarsia	\$ 30	2.00	4	10	1,200				
Yoga	\$ 25	1.00	4	15	1,500				
Yoga Chair	\$ 30	2.00	4	25	3,000				
Zumba	\$ 25	1.00	4	15	1,500				
Zumba Chair	\$ 30	2.00	4	25	3,000				
Line Dance	\$ 25	1.00	4	15	1,500				
Line Dance	\$ 25	1.00	2	10	500				
Tap Dance	\$ 25	1.00	2	8	400				
Square Dance	\$ 30	2.00	4	12	1,440				
Tai Chi	\$ 25	1.00	4	10	1,000				
Locker Rental - Wood Shop			45 @ \$25		1,125				
Locker Rental - Billiard			40 @ \$10		400				
				Total	86,875	43,438	100.00%	71,629	11,794

HGMD 2022 OPERATING BUDGET								
<u>CLUB HOUSE</u>		2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
Summary								
Sales		170,750	109,044	56.59%	132,218	21.25%	29.14%	30,250
Wages/Benefits		324,741	278,508	16.60%	291,453	4.65%	11.42%	233,133
Operating Expenses		484,236	523,825	-7.56%	362,746	-30.75%	33.49%	368,074
Net Income <Loss>		(638,226)	(693,289)	-7.94%	(521,981)	-24.71%	22.27%	(570,957)
D512	CH Building Rentals	15,600	17,100	-8.77%	15,617	-8.67%	-0.11%	7,242
D515	Classes	86,880	43,438	100.01%	71,629	64.90%	21.29%	11,794
D513	Events	31,670	27,245	16.24%	19,220	-29.45%	64.78%	9,740
D516.1	Coffee Revenue	3,600	5,265	-31.62%	2,588	-50.85%	39.10%	1,170
D513.1	Trips Revenue	33,000	15,996	106.30%	23,164	44.81%	42.46%	304
Total Sales		170,750	109,044	56.59%	132,218	21.25%	29.14%	30,250
Wages/Benefits								
C500	Salaries - FTP	108,305	107,607	0.65%	89,566	-16.77%	20.92%	102,747
C510	Salaries - Part Time	75,376	81,691	-7.73%	95,194	16.53%	-20.82%	64,133
C520	Salaries - Overtime	-	-		15		-100.00%	106
C530	Salaries - Teachers	89,935	49,003	83.53%	69,732	42.30%	28.97%	29,152
C540	Taxes - Payroll	26,803	20,249	32.37%	23,722	17.15%	12.99%	17,433
C550	Retirement Expense	5,234	2,045	155.96%	2,403	17.53%	117.79%	2,017
C553	Insurance - Personnel	14,338	13,810	3.82%	7,118	-48.46%	101.44%	13,868
C574	Recruit/Train/Services	1,320	2,295	-42.48%	1,270	-44.65%	3.91%	834
C575	Employee Bonus	600	0		281		113.41%	0
C588	Workers Comp Insurance	2,829	3,608	-21.59%	2,529	-29.92%	11.88%	3,016
C588.1	Workers Comp Adjustments							288
Total Wages/Benefits		324,741	280,308	15.85%	291,831	4.11%	11.28%	233,594
C675.2	Salary Charge Out-Operations	-	(1,800)	-100.00%	(378)	(1)		(461)
Net Wages/Benefits		324,741	278,508	16.60%	291,453	4.65%	11.42%	233,133
Full Time Employees		2.00	2.00		2.00			1.00
Part Time Hours		5,810	7,281		6,843			6,479
Overtime Hours		-	-		-			4
Teacher Hours		3,294	3,600		1,951			1,083
Operating Expense								
C621.1	Mileage Reimbursement	96	96	0.00%	-	-100.00%		17
C627	Pool Care & Supplies	19,738	19,138	3.14%	11,546	-39.67%	70.96%	14,513
C639	Software & IT	4,080	4,080	0.00%	7,099	73.99%	-42.53%	3,482
C640	Electric	93,261	85,551	9.01%	90,538	5.83%	3.01%	87,763
C643	Gas	20,077	17,617	13.97%	18,748	6.42%	7.09%	15,958
C662	Office Supplies & Postage	7,200	8,520	-15.49%	5,868	-31.13%	22.70%	5,253
C662.1	CC & ActiveNet Software	12,600	8,520	47.89%	6,180	-27.46%	103.88%	3,591
C671	Outside - Contractors	19,662	19,980	-1.59%	16,509	-17.37%	19.10%	22,287
C672	Restaurant Hours	-	-		-			6,991
C673	Maintenance Hours	27,043	76,077	-64.45%	28,076	-63.10%	-3.68%	33,596
C676	Golf Charge In Hours	-	4,598	-100.00%	-	-100.00%		4,016
C677	Roads & Grounds Hours	-	13,393	-100.00%	451	-96.63%	-100.00%	6,507
C678	Custodial Hours	114,579	136,419	-16.01%	93,735	-31.29%	22.24%	75,587
C683	Repairs - Equipment	9,246	9,015	2.56%	5,162	-42.74%	79.13%	10,673
C684	Supplies	18,750	22,875	-18.03%	9,603	-58.02%	95.24%	11,768
C684.1	Custodial Supplies	24,000	24,000	0.00%	18,189	-24.21%	31.95%	14,559
C684.2	Coffee Supplies	2,760	6,750	-59.11%	1,740	-74.22%	58.62%	1,675
C686.1	Special Events Supplies	14,420	9,063	59.11%	4,761	-47.47%	202.90%	3,602
C686.2	Special Events Contractors	17,250	7,225	138.75%	4,301	-40.47%	301.06%	6,779
C687	Trips Expense	33,000	13,800	139.13%	15,406	11.64%	114.20%	5,205
C688	Non Capital Equipment	22,740	8,870	156.37%	2,743	-69.08%	729.06%	8,630
C689	Phone & Internet	4,440	4,440	0.00%	4,008	-9.73%	10.78%	4,444
C698	Water & Sewer	19,294	23,798	-18.93%	18,085	-24.01%	6.69%	21,178
Total Operating Expense		484,236	523,825	-7.56%	362,746	-30.75%	33.49%	368,074
TOTAL PAYROLL & OPERATING EXPENSE		808,976	802,333	0.83%	654,199	-18.46%	23.66%	601,207

CLUB HOUSE

	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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C574-Recruit/Train/Services					
New Hire Screening/Ad	265	460			
Lift Training - OSHA	173	300			
CPR Training	288	500			
Colo Parks & Rec Membership	49	85			
CASC workshop	86	150			
CPRA Conference	-	-			
CPO Course	288	500			
Computer Class	173	300			
	1,320	2,295	-42.48%	1,270	834

C588 - Workers Comp Insurance					
Monthly Insurance (renew in Oct)	2,045	2,608			
Deductible	784	1,000			
	2,829	3,608	-21.58%	2,529	3,016

C627 - Pool Care Supplies					
UV Services	1,815	1,760			
Chemicals	9,530	9,240			
Pool Perfect System/Maintenance	2,269	2,200			
Testing Kits/Supplies	701	680			
Recalibrate Palin Tester	340	330			
Leak Control Replacement	1,679	1,628			
Replace Socks & O Rings	3,403	3,300			
	19,738	19,138	3.14%	11,546	14,513

C639 - Software & IT					
SOS	4,080	4,080			
	4,080	4,080	0.00%	7,099	3,482

C662 - Office Supplies/Postage					
Misc Office Supplies	1,014	1,200			
Specialty Paper	203	240			
Copier Lease	2,637	3,120			
Copies	3,346	3,960			
	7,200	8,520	-15.49%	5,868	5,253

CLUB HOUSE

2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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C662.1 - ActiveNet Software & CC Expense				
Active Net 2.5% of all registrations	4,082	4,600		
Credit Card - 100% of all Sales @ 3.5%	8,518	9,600		
Covid adjustment		(5,680)		
	12,600	8,520	47.89%	6,180
				3,591

C671 - Outside Contractors				
Exercise equipment demo	236	240		
Resurface Auditorium Floor	2,952	3,000		
Tower Electric	984	1,000		
Department of Labor - Chemicals	25	25		
	-	-		
Tune pianos	315	320		
Test fire alarm system	590	600		
Glass replacement/mirrors	1,575	1,600		
Trash removal	4,133	4,200		
Pool window cleaning - acid wash	236	240		
Window Cleaning	768	780		
Sound system preventative Maintenance	492	500		
Rose Sign Language Interpreting	177	180		
Fitness Equipment Service Contract	354	360		
Fire Alarm Monitoring	354	360		
Fire Extinguisher Testing	531	540		
Sprinkler Testing	236	240		
Backflow Testing	241	245		
Billiards Repair	148	150		
Elevator Maintenance	2,067	2,100		
HVAC Service Agreement	2,952	3,000		
Equipment Certification for lift	295	300		
	19,662	19,980	-1.59%	16,509
				22,287

C673 - Maintenance Hours				
Maintenance Charge out	26,382	74,217		
Paint Charge	661	1,860		
	-	-		
	27,043	76,077	-64.45%	28,076
				33,596

C683 - Repairs Equipment				
Wood Shop equipment	1,723	1,680		
Exercise equipment repairs	2,461	2,400		
Kiln repairs	1,077	1,050		

CLUB HOUSE

2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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Piano	538	525			
Locks,keys, signage	646	630			
Locker Room	-	-			
Stanley doors	2,585	2,520			
Patio Furniture	-	-			
Tennis Club ball machine	215	210			
	-				
	9,246	9,015	2.56%	5,162	10,673

C684 - Supplies					
Electric, plumbing, hardware	6,393	7,800			
	-				
Stained Glass Tools	246	300			
Holiday Decorations	164	200			
First Aid Supplies	492	600			
Class Supplies	492	600			
Outdoor flowers	2,131	2,600			
Trees & shrubs	1,230	1,500			
Mulch	2,459	3,000			
Inventory Withdrawals	1,967	2,400			
Staff Shirts	410	500			
Clay	184	225			
Quilting	123	150			
Air Filters	984	1,200			
Supplies	820	1,000			
Fitness class	656	800			
	-				
	18,750	22,875	-18.03%	9,603	11,768

C686.1 - Special Events Supplies					
Movie License	3,294	4,140			
Movie Supplies	1,432	1,800			
First Sat Dance food	1,050	1,320			
Dance Supplies - décor/table cloths	-	0			
Monthly Concerts/Events	955	1,200			
Resource Fair	509	640			
Fitness Fair	1,273	1,600			
New Year's Eve Party	398	500			
Poker Table Tops	-	-			
Miscellaneous Expense	955	1,200			
SESAC License	1,114	1,400			
BMI Music License	696	875			
Talent Show	119	150			
Popcorn Machine	159	200			

CLUB HOUSE

	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
Flea Market	318	400			
Craft Fair	557	700			
Clubhouse Showcase	159	200			
Fashion Show	318	400			
Travel Expo	398	500			
Texas Hold'em	716	900			
Covide Adjustment		(9,062)			
	14,420	9,063	59.11%	4,761	3,602

C686.2 - Special Events Contractors					
First Sat Dance	4,200	4,200			
Volunteer Luncheon	1,500	1,500			
Monthly Concerts/Events	4,800	4,800			
New Year's Eve Party	1,000	1,000			
Miscellaneous Holiday Events	1,400	1,400			
Miscellaneous General	-	-			
Memorial Day	200	200			
Smithtonians Bell Choir	400	400			
Denver Brass	450	450			
John Phillip Souza Band	500	500			
Covide Adjustment		(7,225)			
	14,450	7,225	100.00%	4,301	6,779

C687 - Trips Expenses					
RTD Senior Ride Trips	11,478	9,600			
Chartered Coach Trips	21,522	18,000			
Covide Adjustment		(13,800)			
	33,000	13,800	139.13%	15,406	5,205

C688 - Non Capital Equipment					
Billiard Table Repair & Cover	3,846	1,500			
Pickleball/Tennis Equipment	5,127	2,000			
Projector	7,691	3,000			
Compressor	769	300			
Drill Press	3,846	1,500			
Tables	1,461	570			
	22,740	8,870	156.37%	2,743	8,630

CLUB HOUSE

2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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C689 - Telephone & Internet				
Comcast	2,400	2,400		
Telephone	840	840		
Internet	1,200	1,200		
	4,440	4,440	0.00%	4,008
				4,444

HGMD 2022 OPERATING BUDGET								
<u>GOLF</u>		2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
Summary								
Sales		426,008	469,218	-9.21%	413,600	-11.85%	3.00%	364,875
Cost of Goods Sold		12,618	16,106	-21.65%	12,251	-23.94%	3.00%	16,138
Gross Profit		413,390	453,112	-8.77%	401,349	-11.42%	3.00%	348,737
Wages/Benefits		486,822	452,164	7.66%	471,231	4.22%	3.31%	488,601
Operating Expenses		188,301	172,397	9.23%	169,594	-1.63%	11.03%	178,696
Net Income <Loss>		(261,734)	(171,449)	-52.66%	(239,475)	-39.68%	-9.29%	(318,560)
Sales								
D507	Golf Fees Daily	284,281	332,695	-14.55%	276,001	-17.04%	3.00%	260,230
D507.1	Golf Simulator	1,578	3,720	0.00%	1,532	0.00%	3.00%	1,158
D509.2	Golf Disc - 40 Play	25,211	17,064	47.74%	24,477	43.44%	3.00%	12,450
D511	Golf Cart Rental Income	70,315	69,105	1.75%	68,267	-1.21%	3.00%	50,351
D511.1	Golf Merchandise	24,266	30,955	-21.61%	23,559	-23.89%	3.00%	23,926
D511.2	Golf Lesson	8,900	4,090	117.60%	8,641	111.27%	3.00%	6,016
D511.3	Golf Bag Storage	6,705	6,525	2.76%	6,510	-0.23%	3.00%	5,970
D511.4	Golf Pull Cart	4,752	5,064	-6.16%	4,614	-8.89%	3.00%	4,774
Total Sales		426,008	469,218	-9.21%	413,600	-11.85%	3.00%	364,875
Cost of Goods Sold								
G450	Merchandise	12,618	16,106	-21.65%	12,251	-23.94%	3.00%	16,138
Total COGS		12,618	16,106	-21.65%	12,251	-23.94%	3.00%	16,138
Gross Profit		413,390	453,112	-8.77%	401,349	-11.42%	3.00%	348,737
Wages/Benefits								
G500	Salaries - FTP	302,069	287,846	4.94%	295,044	2.50%	2.38%	308,756
G510	Salaries - Part Time	91,736	75,819	20.99%	89,165	17.60%	2.88%	87,692
G520	Salaries - Overtime	4,479	4,200	6.65%	4,361	3.84%	2.71%	4,265
G540	Taxes - Payroll	33,787	31,086	8.69%	34,920	12.33%	-3.24%	32,729
G545	Temporary Outside Labor	-	1,400	-100.00%	0	-100.00%		2,681
G550	Retirement Expense	13,200	11,349	16.31%	13,181	16.14%	0.14%	12,617
G553	Insurance - Personnel	31,487	34,524	-8.80%	30,255	-12.36%	4.07%	32,804
G574	Recruit/Train/Services	5,997	5,778	3.79%	1,641	-71.61%	265.53%	4,023
G575	Employee Bonus	2,000	1,000	100.00%	1,042	4.23%	91.89%	1,536
G588	Workers Comp Insurance	3,567	3,760	-5.13%	3,154	-16.11%	13.08%	5,155
G588.1	Workers Comp Adjustments	-	0					359
Total Wages/Benefits		488,322	456,762	6.91%	472,764	3.50%	3.29%	492,617
Vacancy Adjustment		-	-					
G675.2	Salary Charge Out-Operations	(1,500)	(4,598)	-67.38%	(1,533)	-66.66%	-2.15%	(4,016)
Net Wages/Benefits		486,822	452,164	7.66%	471,231	4.22%	3.31%	488,601
Full Time Employees		5	5		5			5
Part Time Hours		6,492	5,254		6,343			6,946
Overtime Hours		206	191		143			124

HGMD 2022 OPERATING BUDGET								
	<u>GOLF</u>	2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
	<u>Operating Expense</u>							
G621	Fuel Expense	6,375	6,189	3.00%	6,118	-1.14%	4.19%	5,716
G621.1	Mileage Reimbursement	165	160	3.00%	36	-77.50%	357.78%	134
G624	Contingency-Water	10,300	10,000	3.00%	8,400	-16.00%	22.62%	8,381
G635	Tree & Shrub Replacement	714	700	2.00%	0	-100.00%		0
G639	Software & IT	3,090	3,000	3.00%	2,707	-9.77%	14.15%	3,270
G640	Electric	9,312	7,738	20.35%	9,087	17.43%	2.48%	8,516
G640.1	Electric - Pump	46,243	34,545	33.86%	43,839	26.90%	5.48%	45,836
G643	Gas	1,198	899	33.25%	1,101	22.44%	8.83%	1,179
G645	Uniforms	2,035	1,995	2.00%	473	-76.28%	330.08%	1,483
G659	Miscellaneous	-	0	0.00%	0			0
G662	Office Supplies & Postage	52	50	3.00%	50	0.00%	3.00%	76
G662.1	Credit Card Expense	15,794	15,484	2.00%	14,249	-7.98%	10.84%	15,712
G664	Advertising	-	0	0.00%	0			255
G665	Rent - Equipment	1,442	1,400	3.00%	1,214	-13.31%	18.81%	1,208
G670	Asphalt Repairs	4,896	4,800	2.00%	0	-100.00%		0
G671	Outside - Contractors	19,511	18,877	3.36%	23,637	25.21%	-17.46%	17,514
G676.1	Golf Shop Supplies	1,920	1,864	3.00%	3,113	67.01%	-38.33%	1,296
G680	Radio Communications	206	200	3.00%	1,020	410.00%	-79.80%	0
G683	Repairs - Equipment	14,400	14,000	2.86%	12,763	-8.84%	12.83%	15,592
G684	Supplies	42,050	40,896	2.82%	34,973	-14.48%	20.24%	47,131
G688	Non Capital Equipment	-	0		3,655		-100.00%	1,769
G689	Telephone	3,600	3,600	0.00%	3,159	-12.24%	13.94%	3,628
G697	Marketing	5,000	6,000	-16.67%	0			
	Total Operating Expense	188,301	172,397	9.23%	169,594	-1.63%	11.03%	178,696
	TOTAL PAYROLL & OPERATING EXPENSE	675,123	624,561	8.10%	640,825	2.60%	5.35%	667,297
	NET INCOME	(261,734)	(171,449)	52.66%	(239,475)	39.68%	9.29%	(318,560)

GOLF

	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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G574-Recruit/Train/Services					
CPR Training	350	350			
Turf Seminar	-	-			
Pesticide License	-	-			
New Hire Screening/Ad	450	450			
Computer Class	-	-			
National Golf Conference	3,888	3,888			
Rocky Mountain Association	165	165			
Golf Superintendents Association	784	565			
Colorado Golf Association	100	100			
United States Golf Association	110	110			
Mechanic Training	150	150			
	5,997	5,778	3.79%	1,641	4,023

G588 - Workers Comp					
Monthly Insurance (renew in Oct)	3,093	3,260			
Deductible	474	500			
	3,567	3,760	-5.12%	3,154	5,155

G621 - Fuel					
Unleaded Price Per Gallon					
Total Unleaded Gas	3,943	3,828			
Diesel Price Per Gallon					
Total Diesel Gas	2,432	2,361			
Total Unleaded & Diesel - Budget	6,375	6,189	3.01%	6,118	5,716

G639 - Software & IT					
SOS	3,090	3,000			
	3,090	3,000	3.00%	2,707	3,270

GOLF

2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
G645 - Uniforms					
Uniform Cleaning	734	720			
Uniform Purchases	1,301	1,275			
	2,035	1,995	2.00%	473	1,483

	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
G671 - Outside Contractors					
Pump and Well Service	1,034	1,000			
Tree Removal	10,336	10,000			
Sanolet Service	3,349	3,240			
Goose Service	-	-			
Nat Sup Network	-	-			
Airvac Services	1,445	1,398			
Miscellaneous	3,090	2,990			
Aquatic Weed Control	258	249			
Deep Tine Contractor	-	-			
	19,511	18,877	3.36%	23,637	17,514

GOLF

2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
G684 - Supplies					
Irrigation parts	5,655	5,500			
Inventory supplies	370	360			
Top dressing	2,056	2,000			
Bunker sand	6,169	6,000			
Greens fertilizer	3,085	3,000			
Fairways & tee fertilizer	4,113	4,000			
rough fertilizer	4,113	4,000			
Fungicides/snow mold control	1,542	1,500			
Lake Dye	566	550			
Misc course accessories	1,806	1,756			
Tools	206	200			
Seed - greens	514	500			
Seed - fairways	4,113	4,000			
Drainage Supplies	514	500			
Herbicides	720	700			
Surfactants	2,571	2,500			
Sod	206	200			
Top Soil	514	500			
Tree Supplies	-	-			
Safety Equipment	103	100			
Signage	206	200			
Ice Melt	823	800			
Shop Service	1,213	1,180			
Misc. Supplies	668	650			
Marking Paint	206	200			
Water Cooler Stand	-	-			
Adjustments for Budgeting	-	-			
	42,050	40,896	2.82%	34,973	47,131

HGMD 2022 OPERATING BUDGET								
	<u>RESTAURANT</u>	2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
	Summary							
	Sales	603,015	658,492	-8.42%	413,181	-37.25%	45.94%	271,390
	Cost of Goods Sold	193,106	211,773	-8.81%	132,133	-37.61%	46.15%	92,833
	Gross Profit	409,909	446,719	-8.24%	281,048	-37.09%	45.85%	178,557
	Wages/Benefits	375,187	360,832	3.98%	281,573	-21.97%	33.25%	279,063
	Operating Expenses	122,920	152,291	-19.29%	94,645	-37.85%	29.87%	79,600
	Net Income <Loss>	(88,197)	(66,404)	32.82%	(95,170)	43.32%	7.33%	(180,106)
	Sales							
D506	Food Sales	511,205	557,534	-8.31%	343,121	-38.46%	48.99%	227,426
D506.1	Beer Sales	25,580	32,658	-21.67%	21,803	-33.24%	17.32%	11,720
D506.2	Wine Sales	33,752	35,642	-5.30%	24,175	-32.17%	39.62%	16,437
D506.3	Liquor Sales	32,478	32,658	-0.55%	24,082	-26.26%	34.86%	15,807
	Total Sales	603,015	658,492	-8.42%	413,181	-37.25%	45.94%	271,390
	Cost of Goods Sold							
H450	Food	173,810	189,562	-8.31%	116,661	-38.46%	48.99%	83,032
H455	Beer	7,674	7,185	6.81%	6,541	-8.97%	17.32%	3,172
H455.1	Wine	6,750	7,841	-13.91%	5,318	-32.17%	26.92%	3,375
H455.2	Liquor	4,872	7,185	-32.20%	3,612	-49.72%	34.86%	3,254
	Total COGS	193,106	211,773	-8.81%	132,133	-37.61%	46.15%	92,833
	Gross Profit	409,909	446,719	-8.24%	281,048	-37.09%	45.85%	178,557
		68%	68%		68%			66%
	Wages/Benefits							
H500	Salaries - FTP	165,849	142,069	16.74%	147,975	4.16%	12.08%	164,137
H510	Salaries - Part Time	138,693	164,623	-15.75%	82,636	-49.80%	67.84%	60,783
H520	Salaries - Overtime	-	4,151	-100.00%	-	-100.00%		606
H540	Taxes - Payroll	31,329	27,544	13.74%	26,575	-3.52%	17.89%	23,233
H550	Retirement Expense	8,214	2,729	201.00%	6,026	120.80%	36.32%	5,439
H553	Insurance - Personnel	22,776	13,810	64.93%	10,394	-24.73%	119.13%	17,498
H574	Recruit/Train/Services	3,280	1,720	90.70%	3,273	90.27%	0.23%	1,771
H575	Employee Bonus	1,600	-		1,608		-0.50%	668
H588	Workers Comp Insurance	3,444	4,186	-17.73%	3,086	-26.28%	11.61%	4,576
H588.1	Workers Comp Adjustments	-	-					352
	Total Wages/Benefits	375,187	360,832	3.98%	281,573	-21.97%	33.25%	279,063
	Full Time Employees	3	2		3.00			2.00
	Part Time Hours	12,007	15,875		6,343			6,946
	Overtime Hours	-	252		32			39

HGMD 2022 OPERATING BUDGET								
	<u>RESTAURANT</u>	2022 Budget	2021 Budget	% Change 2021 Budget 2022 Budget	2021 Forecast	% Change 2021 Budget 2021 Forecast	% Change 2021 Forecast 2022 Budget	2020 Actual (Audited)
	<u>Operating Expense</u>							
H621.1	Mileage Reimbursement	-	-					-
H639	Software & IT	6,000	3,600	66.67%	3,921	8.90%	53.04%	2,112
H640	Electric	23,315	22,167	5.18%	22,644	2.15%	2.97%	22,214
H643	Gas	5,019	4,404	13.97%	5,210	18.30%	-3.66%	3,662
H644	Water	1,858	2,367	-21.51%	1,860	-21.43%	-0.10%	1,937
H645	Phone & TV	3,600	3,600	0.00%	3,195	-11.24%	12.66%	4,255
H646	Trash Removal	4,800	5,100	-5.88%	4,805	-5.78%	-0.11%	4,855
H651	Uniforms	900	960	-6.25%	859	-10.54%	4.79%	831
H652	Discounts & Comps	6,000	6,585	-8.88%	5,942	-9.77%	0.98%	3,315
H655	Linen Service	-	4,704	-100.00%	-	-100.00%		993
H662	Office Supplies	500	660	-24.24%	(44)	-106.67%	1236.36%	1,520
H671	Outside Contractors	6,000	6,730	-10.85%	3,619	-46.23%	65.80%	4,262
H673	Maintenance Hours	2,551	10,234	-75.07%	3,214	-68.59%	-20.64%	4,243
H674	Custodial Hours	6,300	7,560	-16.67%	3,641	-51.84%	73.02%	3,307
H675.2	Salaries-Charged Out	-	0					(10,078)
H681	Credit Card Fees	13,200	19,755	-33.18%	15,010	-24.02%	-12.06%	11,152
H683	Repairs - Equipment	3,600	4,910	-26.68%	45	-99.09%	7976.92%	2,561
H684	China/Glass/Flatware	2,400	3,000	-20.00%	1,298	-56.74%	84.94%	1,879
H684.1	Restaurant/Kitchen Supplies	18,000	19,755	-8.88%	12,538	-36.53%	43.56%	9,476
H684.2	Supplies - Other	-	-					-
H684.3	Equipment	-	-					-
H685	Cleaning Supplies	3,600	12,600	-71.43%	2,820	-77.62%	27.66%	1,846
H688	Non Capital Equipment	6,000	3,000	100.00%	-	-100.00%		1,365
H689	Marketing	6,000	6,000	0.00%	703	-88.29%	753.66%	-
H690	Licenses & Taxes	3,276	4,600	-28.78%	3,366	-26.83%	-2.67%	3,893
	Total Operating Expense	122,920	152,291	-19.29%	94,645	-37.85%	29.87%	79,600
	NET INCOME	(88,197)	(66,404)	32.82%	(95,170)	43.32%	7.33%	(180,106)

RESTAURANT

	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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H574 - Recruiting Training					
Craigslist	420	420			
Employment Screening	2,760	1200			
CPR Training	100	100			
	3,280	1,720	90.70%	3,273	1,771

H588 - Workers Comp					
Monthly Insurance (renew in Aug)	3,444	3,186			
Deductible	-	1,000			
	-				
	3,444	4,186	-17.73%	3,086	4,576

H671 - Outside Contractors					
Hood Cleaning	1,765	1,980			
Hood Inspection	847	950			
Grease Trap Pump	1,248	1,400			
BEC Gift Cards	535	600			
Entertainment	1,605	1,800			
	-	-			
	6,000	6,730	-10.85%	3,619	4,262

H684.3 - Equipment					
2 Drawer Bread Warmer	-	-			
Microwave	-	-			
	-	-		-	-

H688 - Non Captial Equipment					
sandwich counter. Range, microwaves, waffle machine	6,000	3,000			
	-	-			
	-	-			
	6,000	3,000	100.00%	-	1,365

H689 - Marketing					

RESTAURANT

	2022 Budget	2021 Budget	Percent Change	2021 Forecast	2020 Actual
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Heather n Yon	-	-			
Heather Ridge	-	-			
Miscellaneous	6,000	6,000			
Print Media	-	-			
	6,000	6,000	0.00%	703	-

H690 - Licenses & Taxes					
POS Annual License	1,424	2,000			
Personal Property Tax	499	700			
Liquor License	1,353	1,900			
	3,276	4,600	-28.78%	3,366	3,893

Heather Gardens Metro Districts

2022 Capital Reserves Report

Capital Revenues	Budget
Home-Owners Dues	397,293
Capital Adjustment	-
Est Earnings	10
Income Taxes (Exempt)	-
	397,303
Capital Expenditures	
Carryover Projects	-
New 2022 Projects	339,123
Total	339,123
Contribution to Reserves	58,180
Total Capital Expenditures	397,303

Heather Gardens Metropolitan District, Inc

CO	Category	Component	Last Done	Cycle Offset	Life	2022 Projects
CR	Club Exterior	Paint Clubhouse	2012	0	10	\$ 52,672
CR	Club Flooring	Management Office/Board Room	2012	2	8	\$ 20,960
CR	Club HVAC	Two variable speed motors	2012	5	5	\$ 11,285
CR	Clubhouse Equip	Auditorium sound system	2012	0	10	\$ 6,885
CR	Clubhouse Equip	Kilns	2012	0	10	\$ 28,212
CR	Clubhouse Equip	Security Cameras	2012	0	10	\$ 6,478
CR	Clubhouse Equip	Storage Tank Domestic for Club House	2012	0	10	\$ 21,159
CR	Pools	Indoor Pool Heater/Boiler	2012	0	10	\$ 32,704
CR	Pools	Chemical control system, indoor pool/spa	2012	0	10	\$ 17,361
CR	Pools	Pool, outdoor, plaster finish	2013	0	9	\$ 60,020
CR	Restaurant	Storage tank Rendezvous	2012	0	10	\$ 21,159
GC	Golf Course	Lake Fountain Large	2016	0	6	\$ 11,355
GC	Golf Equip	Tractor w/forklift & backhoe	1987	5	30	\$ 48,873

PROJECT TOTALS

\$339,123

HEATHER GARDENS ASSOCIATION

MONTHLY HOMEOWNERS DUES

BUDGET YEAR 2022

Unit Type	CAPITAL RESERVE	REC FEE	WATER & SEWER	INSUR.	MAINT.	GAS & ELEC	2022 TOTAL	2021 TOTAL	\$ CHANGE 2021-2022	PERCENT CHANGE	
ALPHA											
B		85.07	46.58	45.53	42.72	161.54	29.56	411.00	374.00	37.00	9.9%
E		90.98	47.50	45.53	45.69	173.26	31.04	434.00	394.00	40.00	10.2%
A (Base)		111.49	50.69	45.53	55.99	212.10	36.20	512.00	464.00	48.00	10.3%
C		126.48	53.01	45.53	63.51	240.50	39.97	569.00	516.00	53.00	10.3%
G		127.27	53.14	45.53	63.91	241.99	40.16	572.00	519.00	53.00	10.2%
F		139.10	54.97	45.53	69.85	264.41	43.14	617.00	559.00	58.00	10.4%
BB		170.14	57.18	45.53	85.44	323.60	59.11	741.00	677.00	64.00	9.5%
AE		202.48	62.20	45.53	101.68	385.87	67.24	865.00	788.00	77.00	9.8%
AA		223.93	65.53	45.53	112.45	425.93	72.63	946.00	862.00	84.00	9.7%
SOMERSET											
B-77-6		85.31	46.62	45.53	42.84	162.08	29.62	412.00	374.00	38.00	10.2%
K-6		99.66	48.85	45.53	50.05	189.69	33.22	467.00	424.00	43.00	10.1%
A-77-6		111.41	50.68	45.53	55.95	212.25	36.18	512.00	464.00	48.00	10.3%
J-6		126.48	53.01	45.53	63.51	240.50	39.97	569.00	516.00	53.00	10.3%
C-6		126.48	53.01	45.53	63.51	240.50	39.97	569.00	516.00	53.00	10.3%
F-6		139.10	54.97	45.53	69.85	264.41	43.14	617.00	559.00	58.00	10.4%
AB-6		196.72	61.31	45.53	98.78	374.87	65.79	843.00	769.00	74.00	9.6%
AK-6		210.52	63.45	45.53	105.72	400.52	69.26	895.00	816.00	79.00	9.7%
AA-77-6		222.83	65.36	45.53	111.90	424.02	72.36	942.00	858.00	84.00	9.8%
SEVILLE											
B-S		78.36	45.54	45.53	39.35	149.35	27.87	386.00	350.00	36.00	10.3%
K-S		90.12	47.37	45.53	45.25	171.91	30.82	431.00	391.00	40.00	10.2%
A-S		100.37	48.96	45.53	50.40	191.34	33.40	470.00	426.00	44.00	10.3%
C-S		112.44	50.83	45.53	56.46	214.30	36.44	516.00	468.00	48.00	10.3%
F-S		120.96	52.16	45.53	60.74	230.03	38.58	548.00	497.00	51.00	10.3%
AB-S		178.73	58.51	45.53	89.75	340.21	61.27	774.00	707.00	67.00	9.5%
BC-S		190.80	60.39	45.53	95.81	363.16	64.31	820.00	748.00	72.00	9.6%
AK-S		190.49	60.34	45.53	95.66	362.75	64.23	819.00	747.00	72.00	9.6%
ATRIUM											
N-2		78.29	45.53	45.53	39.31	149.49	27.85	386.00	350.00	36.00	10.3%
M-2		82.23	46.14	45.53	41.29	156.97	28.84	401.00	364.00	37.00	10.2%
K-2		101.79	49.18	45.53	51.12	193.62	33.76	475.00	431.00	44.00	10.2%
A-2		113.70	51.03	45.53	57.10	216.89	36.75	521.00	472.00	49.00	10.4%
A-2-3		118.35	51.75	45.53	59.43	225.02	37.92	538.00	488.00	50.00	10.2%
C-2		126.95	53.09	45.53	63.75	241.60	40.08	571.00	518.00	53.00	10.2%
L-2		126.95	53.09	45.53	63.75	241.60	40.08	571.00	518.00	53.00	10.2%
F-2		140.20	55.15	45.53	70.40	267.30	43.42	622.00	563.00	59.00	10.5%
AK-2		215.49	64.22	45.53	108.21	410.04	70.51	914.00	833.00	81.00	9.7%
AK-2-3		220.14	64.94	45.53	110.55	419.16	71.68	932.00	849.00	83.00	9.8%
OMEGA											
B-O		84.12	46.44	45.53	42.24	160.35	29.32	408.00	370.00	38.00	10.3%
K-O		98.95	48.74	45.53	49.69	188.04	33.05	464.00	421.00	43.00	10.2%
A-O		109.84	50.43	45.53	55.16	209.26	35.78	506.00	459.00	47.00	10.2%
C-O		124.98	52.78	45.53	62.76	238.36	39.59	564.00	511.00	53.00	10.4%
F-O		139.97	55.11	45.53	70.29	266.74	43.36	621.00	562.00	59.00	10.5%
AK-O		208.79	63.18	45.53	104.84	397.83	68.83	889.00	810.00	79.00	9.8%
COUNTRY PLACES & TOWN HOMES											
3BR		125.06	52.79	45.53	62.80	237.82	0.00	524.00	468.00	56.00	12.0%
2BR		109.28	50.34	45.53	54.88	207.97	0.00	468.00	418.00	50.00	12.0%
3B2		148.01	56.36	45.53	74.33	281.77	0.00	606.00	542.00	64.00	11.8%
TH		147.62	56.30	45.53	74.13	281.42	0.00	605.00	541.00	64.00	11.8%
MV		89.88	47.33	45.53	45.13	171.13	0.00	399.00	356.00	43.00	12.1%
HOMEOWNERS DUES BUDGET							TOTAL DUES				
BY CATEGORY		3,401,830	1,496,739	1,325,468	1,708,273	6,477,035	955,938	15,365,283	13,911,979	1,453,304	10.45%
							W/O GAS & ELECTRIC	14,409,345	12,867,065	1,542,280	11.99%
PREVIOUS YEAR'S BUDGET:											
BY CATEGORY		2,597,021	1,516,758	974,552	1,713,054	6,065,680	1,044,914	13,911,979			
% CHANGE		31.0%	-1.3%	36.0%	-0.3%	6.8%	-8.5%	10.4%			

Appendix A: HGA 3 and 5 Year Budget Outlook

				Assumed annual rate increase				
	2022	Budget	2024 Forecast	2026 Forecast	2023	2024	2025	2026
Summary								
Revenue*	14,031,052		15,714,954	17,444,619	6.6%	5.1%	5.3%	5.4%
Wages/Benefits	5,033,564		5,405,144	5,813,011	3.6%	3.6%	3.7%	3.7%
Operating Expenses	9,320,341		10,309,809	11,631,609	4.5%	5.9%	6.1%	6.3%
Total	(322,853)		-	-				
Wages/Benefits								
Custodial	334,033		354,376	375,957	3.0%	3.0%	3.0%	3.0%
Custodial- Insurance	52,201		63,164	76,428	10.0%	10.0%	10.0%	10.0%
Contracts	205,452		217,964	231,238	3.0%	3.0%	3.0%	3.0%
Contracts- Insurance	13,555		16,402	19,846	10.0%	10.0%	10.0%	10.0%
Maintenance	1,403,834		1,489,328	1,580,028	3.0%	3.0%	3.0%	3.0%
Maintenance- Insurance	152,147		184,098	222,759	10.0%	10.0%	10.0%	10.0%
Administration	1,068,554		1,133,629	1,202,667	3.0%	3.0%	3.0%	3.0%
Administration- Insurance	67,110		81,203	98,256	10.0%	10.0%	10.0%	10.0%
Paint	274,992		291,739	309,506	3.0%	3.0%	3.0%	3.0%
Paint- Insurance	13,644		16,510	19,977	10.0%	10.0%	10.0%	10.0%
Roads & Grounds	847,042		898,627	953,354	3.0%	3.0%	3.0%	3.0%
Roads & Grounds- Insurance	78,785		95,330	115,350	10.0%	10.0%	10.0%	10.0%
Security	463,468		491,693	521,637	3.0%	3.0%	3.0%	3.0%
Security- Insurance	58,745		71,082	86,009	10.0%	10.0%	10.0%	10.0%
Vacancy Adjustment	-		-	-				
Total Wages/Benefits	5,033,564		5,405,144	5,813,011				
Operating Expense								
General Association	224,336		237,998	252,492	3.0%	3.0%	3.0%	3.0%
Capital Reserve*	3,401,830		3,529,151	3,780,515	3.5%	3.5%	3.5%	3.5%
Insurance	1,822,345		2,410,052	3,187,294	15.0%	15.0%	15.0%	15.0%
Electric	369,661		392,173	416,056	3.0%	3.0%	3.0%	3.0%
Gas	737,792		782,723	830,391	3.0%	3.0%	3.0%	3.0%
Water & Sewer	1,207,000		1,305,492	1,412,020	4.0%	4.0%	4.0%	4.0%
Custodial	59,769		63,409	67,271	3.0%	3.0%	3.0%	3.0%
Contracts	6,524		6,921	7,343	3.0%	3.0%	3.0%	3.0%
Maintenance	889,842		944,033	1,001,525	3.0%	3.0%	3.0%	3.0%
Administration	211,397		224,271	237,929	3.0%	3.0%	3.0%	3.0%
Paint	59,328		62,941	66,774	3.0%	3.0%	3.0%	3.0%
Roads & Grounds	235,350		249,683	264,888	3.0%	3.0%	3.0%	3.0%
Security	95,167		100,963	107,111	3.0%	3.0%	3.0%	3.0%
Total Operating Expense	9,320,341		10,309,809	11,631,609				
Summary of HGA Dues								
HGA Avg Dues	\$ 476.39	\$ 533.56	\$ 592.28		6.6%	5.1%	5.3%	5.4%
HGMD Avg Dues	\$ 51.41	\$ 54.54	\$ 57.87		3.0%	3.0%	3.0%	3.0%
Total Avf Monthly Dues	\$ 527.80	\$ 588.10	\$ 650.15		6.2%	4.9%	5.1%	5.2%

*Forecasted increase for Capital Reserve is based on base amount of \$2,576,830

Appendix B: HGMD 3 and 5 year Budget Outlook

	2022 Budget	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	Assumed annual rate increase			
						2023	2024	2025	2026
Summary									
Revenue	1,233,433	1,270,436	1,308,549	1,347,806	1,388,240	3.0%	3.0%	3.0%	3.0%
COGS	205,724	211,896	218,253	224,800	231,544	3.0%	3.0%	3.0%	3.0%
Wages/Benefits	1,118,148	1,151,693	1,186,244	1,221,831	1,258,486	3.0%	3.0%	3.0%	3.0%
Operating Expenses	1,404,900	1,342,749	1,389,814	1,438,872	1,490,037	-4.4%	3.5%	3.5%	3.6%
	(1,495,339)	(1,435,901)	(1,485,761)	(1,537,697)	(1,591,827)	-4.0%	3.5%	3.5%	3.5%
Club House									
Revenue	170,750	175,873	181,149	186,583	192,181	3.0%	3.0%	3.0%	3.0%
Wages/ Benefits	310,403	319,715	329,307	339,186	349,361	3.0%	3.0%	3.0%	3.0%
Insurance Benefits	14,338	15,771	17,348	19,083	20,992	10.0%	10.0%	10.0%	10.0%
Operating Expenses	484,236	498,763	513,726	529,137	545,012	3.0%	3.0%	3.0%	3.0%
Total Subsidy Club House	(638,226)	(658,377)	(679,232)	(700,823)	(723,184)				
Golf									
Revenue	426,008	438,788	451,952	465,511	479,476	3.0%	3.0%	3.0%	3.0%
COGS	12,618	12,997	13,387	13,788	14,202	3.0%	3.0%	3.0%	3.0%
Wages/ Benefits	455,335	468,995	483,065	497,557	512,484	3.0%	3.0%	3.0%	3.0%
Insurance Benefits	31,487	34,636	38,099	41,909	46,100	10.0%	10.0%	10.0%	10.0%
Operating Expenses	188,301	193,951	199,769	205,762	211,935	3.0%	3.0%	3.0%	3.0%
Total Subsidy Golf	(261,734)	(271,790)	(282,368)	(293,506)	(305,245)				
Restaurant									
Revenue	603,015	621,106	639,739	658,931	678,699	3.0%	3.0%	3.0%	3.0%
COGS	193,106	198,899	204,866	211,012	217,342	3.0%	3.0%	3.0%	3.0%
Wages/ Benefits	352,410	362,983	373,872	385,088	396,641	3.0%	3.0%	3.0%	3.0%
Insurance Benefits	22,776	25,054	27,559	30,315	33,347	10.0%	10.0%	10.0%	10.0%
Operating Expenses	122,920	126,607	130,405	134,317	138,347	3.0%	3.0%	3.0%	3.0%
Total Subsidy Restaurant	(88,197)	(67,383)	(69,404)	(71,487)	(73,631)				
Other Expenses & Revenue									
Revenue	33,660	34,670	35,710	36,781	37,885	3.0%	3.0%	3.0%	3.0%
Insurance	56,690	58,391	60,143	61,947	63,806	3.0%	3.0%	3.0%	3.0%
Capital Outlay*	397,293	300,112	310,616	321,487	332,739	3.5%	3.5%	3.5%	3.5%
Operating Expenses	86,859	89,464	92,148	94,913	97,760	3.0%	3.0%	3.0%	3.0%
Total	(507,182)	(413,297)	(427,197)	(441,566)	(456,420)				

*Forecasted increase on Capital Outlay is based on base amount of \$339,123

EXHIBIT C

Certification of Tax Levy

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Heather Gardens Metropolitan District of Arapahoe County, Colorado on this 14th day of October 2021.

William F. Archambault, Secretary/Treasurer

S E A L